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**REPORT FOR THE
BUDGET COMMITTEE
OF THE SAN FRANCISCO BOARD OF SUPERVISORS
ZERO-BASED BUDGET ANALYSIS**

**VOLUME I:
DEPARTMENT SUMMARIES
AND RECOMMENDATIONS**

BUDGET ANALYST

MAY 1994

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218 000
52

CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

May 9, 1994

Honorable Tom Hsieh, Chair
and Members of the Budget Committee
City and County of San Francisco
Room 235, City Hall
San Francisco, CA 94102

Dear Chair Hsieh, President Alioto and Supervisor Bierman:

We are pleased to transmit to you the results of our Zero-Base Budget Analysis. Working collaboratively with the Mayor's Office and management and staff of every department analyzed, we have reviewed all existing and requested 1994-95 expenditures and revenues of 18 General Fund departments. We have followed Chair Hsieh's direction and provided all of our recommendations to the Mayor's staff to enable their inclusion in the Mayor's recommended budget, which will be submitted to your Board on June 1. At that time, we will indicate reductions in the budget that occurred as the result of this Zero-Based Analysis.

The Budget Analyst has made a series of recommendations which, upon implementation, would reduce General Fund expenditures by \$16.9 million and increase General Fund revenues by an estimated \$3.9 million, largely by improving the collection procedures related to existing revenues.

In total, the proper implementation of our recommendations would save the City and County of San Francisco an estimated \$20.8 million in Fiscal Year 1994-95 and \$16.3 million annually thereafter. It should be noted that our recommendations would not result in a reduction in the present level of services provided by the City and County.

In addition to these recommendations, the Budget Analyst has developed a series of policy options for consideration by the Board of Supervisors which would result in total estimated savings of up to \$33.4 million annually. However, it should be noted that \$16.1 million of the policy options is comprised of discontinuing non-mandated mental health services covered by the General Fund. If that one item is



BOARD OF SUPERVISORS

REPORT

FOR THE YEAR 1916

AND FINANCIAL STATEMENT FOR THE YEAR 1916

1917

Presented to the Board of Supervisors
and Members of the Board of Supervisors
City and County of San Francisco
June 28, 1917
San Francisco, CA 94102

That the Board of Supervisors has the honor to present to the Board of Supervisors

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Honorable Tom Hsieh, Chair
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City and County of San Francisco
May 9, 1994
Page 2

not included, the policy options savings would be up to \$17.3 million. Combined with our recommendations of \$20.8 million, total savings would thus be \$38.1 million upon implementation of all our recommendations and policy options, excluding the General Fund-supported mental health services.

The details of all of our recommendations and policy options are contained in Volume I of the enclosed report.

This Zero-Based Budget Analysis questioned all existing expenditures and revenues and examined the link between expenditures and performance

Unlike traditional line item expenditure budget analysis, which focuses on requests for additional funding, this zero-based analysis reviewed existing departmental expenditures for their efficiency and effectiveness. No assumption was made that existing programs and expenditures should necessarily be continued or that the way that services are presently delivered should necessarily be continued.

Our analysis represents a new approach to budgeting in San Francisco in that we evaluated each department not only on an expenditure and revenue basis, but also on a programmatic basis. We believe that this approach allows for improved budget decision-making in that the relationship between costs and outcomes can be more readily assessed.

Cost and staffing information for every program and sub-program in the departments reviewed is presented in Volume II. This type of data builds on the program budget approach used in the Mayor's Fiscal Year 1993-94 budget and provides a foundation for conversion to a full-scale mission driven or program budget approach. We strongly endorse a continuation of this more comprehensive approach to budget review. We are confident that additional cost savings opportunities would be identified throughout the City as a result of this continued effort.

Recommendations and Policy Options

This report is submitted in two volumes, as follows:

Volume I: Recommendations and Policy Options

Volume II: Department Program and Performance Detail

We have divided the results of our analysis into recommendations and policy options. Generally, policy options are cost saving items that we believe are worthy of consideration but represent decisions which must be made by the Board of Supervisors and the Mayor in important policy areas such as adjusting service levels, establishing new programs and contracting out services to for-profit organizations. However, the Budget Analyst's recommendations which are

BOARD OF SUPERVISORS
BUDGET ANALYST

contained in this report are cost saving items that we believe should be implemented in Fiscal Year 1994-95. It should be emphasized that our recommendations would not reduce current service levels.

As previously noted, *upon implementation* of our recommendations, we estimate that the City and County of San Francisco would save a total of \$20.8 million in Fiscal Year 1994-95 and \$16.3 million annually thereafter.

Recommendation Highlights

We are not recommending the elimination of existing programs. Rather, most of our recommendations call for continuing to provide existing services at less cost. Examples of our recommendations include:

- Properly billing Medi-Cal for San Francisco General Hospital services provided to General Assistance clients eligible for SSI would produce one-time reimbursements of \$2.7 million and ongoing annual reimbursements of approximately \$641,000.
- Deletion of overbudgeted mandatory fringe benefits, namely the Medicare portion of the Federal Insurance Contributions Act (FICA), in the Fiscal Year 1994-95 Police, Fire, and Sheriff's budgets amounting to \$2.6 million.
- Civilianization of administrative positions in the Sheriff's department at an annual savings of approximately \$101,000.
- Establishment of a Sheriff's Recruit classification to perform many of the clerical and administrative functions now performed by Deputy Sheriffs in the jails and courts for an estimated annual savings of approximately \$1.6 million per year. Those Deputy Sheriffs which would be replaced by the Recruit classification would be used to operate the City's new jail.
- A reduction in funds budgeted for General Assistance payments of approximately \$586,000 based on declining caseload.
- Contracting out adult and geriatric mental health services and substance abuse services to community-based non-profit organizations as is now the case for acute and residential services at a savings of \$688,000 per year. Existing employees could either form their own non-profit corporation or might be hired by existing non-profit corporations.
- Reducing excess layers of supervision and further combining of Superior and Municipal Court administrative divisions in the

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combined Superior and Municipal Courts for an estimated annual savings of \$1 million

- Hiring a collections agency for the Library resulting in estimated increased net revenues of \$215,000 per year.
- Establishment of a "proof of payment" program on the Municipal Railway's Light Rail Vehicles, thereby eliminating the need for Platform Operators in the second cars for an annual savings of \$400,000. This would not result on the layoff of Platform Operators but would result in a reduced need for overtime expenses.
- Establishment of a fee for on-line database services at the Public Library resulting in an estimated \$22,650 in increased revenue.

A summary of the dollar value of the Budget Analyst's recommendations and policy options savings, by department, are presented on the following page.

Our recommendations were developed with input from each department. Each department was asked to rank their programs and sub-programs and to provide statements on the impact of various funding levels. That information is provided in our Volume II report, along with descriptions and current and requested Fiscal Year 1994-95 funding and staffing levels for each program and sub-program.

In the case of the Department of Public Health (DPH), many of our recommendations originated with DPH. In the light of the need of DPH to reduce costs to retain Medi-Cal reimbursements from the State as the managed care system is implemented, the Department of Public Health has undergone a massive review of its organizational structure and operating procedures and identified a number of areas where restructuring can occur. The Budget Analyst endorses these proposals and applauds the Department of Public Health for its efforts. We also believe this demonstrates what many other departments could do through an intensive review of their structures and operations and a focus on what is really necessary to meet the needs of the public.

Summary of Recommendations by Department

	\$ Total Recommendations	\$ Policy Options
Police	\$4,126,623	\$2,250,000
Fire	1,333,308	561,000
Muni	1,034,652	7,000,000
DSS	1,314,682	1,000,000
Sheriff	5,031,070	95,000
Community Mental Health	689,356	17,100,000
Public Health Services	0	2,334,581
San Francisco General Hospital	3,874,687	
Superior Court & Muni Ct	1,015,800	
Juvenile Court	1,123,533	
Public Library	697,391	1,232,305
District Attorney	100,570	1,628,252
Public Defender	231,024	
Treasurer-Tax Collector	0	
Assessor	0	
Laguna Honda Hospital	256,931	
Recorder		200,000

TOTAL LOW **\$20,829,627** **\$33,401,138***

* Includes a \$16.1 million reduction for discontinuing non-mandated Mental Health services paid for out of the General Fund. Excluding that one item, savings of up to \$17.3 million could still be realized.

The above amounts exclude increased revenue estimates of up to \$4 million for the Treasurer-Tax Collector and \$2.5 million for the Assessor that would result from implementation of our recommendations.

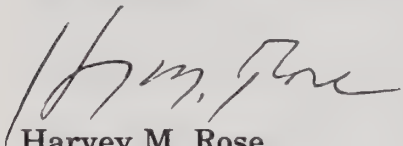
We wish to particularly thank Chair Hsieh for initiating this project, unprecedented in San Francisco in terms of the level of review and degree of collaboration between the Board of Supervisors and Mayor's Office. We also wish to thank President Alioto and Mayor Jordan who facilitated this unprecedented level of cooperation between the Offices of the Board of Supervisors and Mayor. Finally, we would like to thank the full Budget Committee for providing guidance for the project and Teresa Serata, the Mayor's Budget Director, and her entire staff for their cooperation and involvement on this project. In our professional

BOARD OF SUPERVISORS
BUDGET ANALYST

Honorable Tom Hsieh, Chair
and Members of the Budget Committee
City and County of San Francisco
May 9, 1994
Page 6

judgment, this project has produced very significant results and we are hopeful that our recommendations can assist the City and County of San Francisco in achieving a more efficient, effective and economical budget.

Respectfully submitted,



Harvey M. Rose
Budget Analyst

cc: Supervisor Conroy	Mayor Jordan
Supervisor Hallinan	Chief Administrative Officer
Supervisor Kaufman	Controller
Supervisor Kennedy	Teresa Serata
Supervisor Leal	Robert Oakes
Supervisor Maher	Ted Lakey
Supervisor Migden	
Supervisor Shelley	
Clerk of the Board	

Zero-Based Budget Analysis Volume I: Department Summaries and Recommendations

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Department Summary

Department: Police Department

Overview

The chart on the next page provides a description of the Police Department's organization. For the Zero Base analysis, the Budget Analyst has divided the Department budget into five programs: Administration, Field Operations, Investigations, Communications and Other Services (the Office of Citizen Complaints, Senior Escort Program and Project Safe).

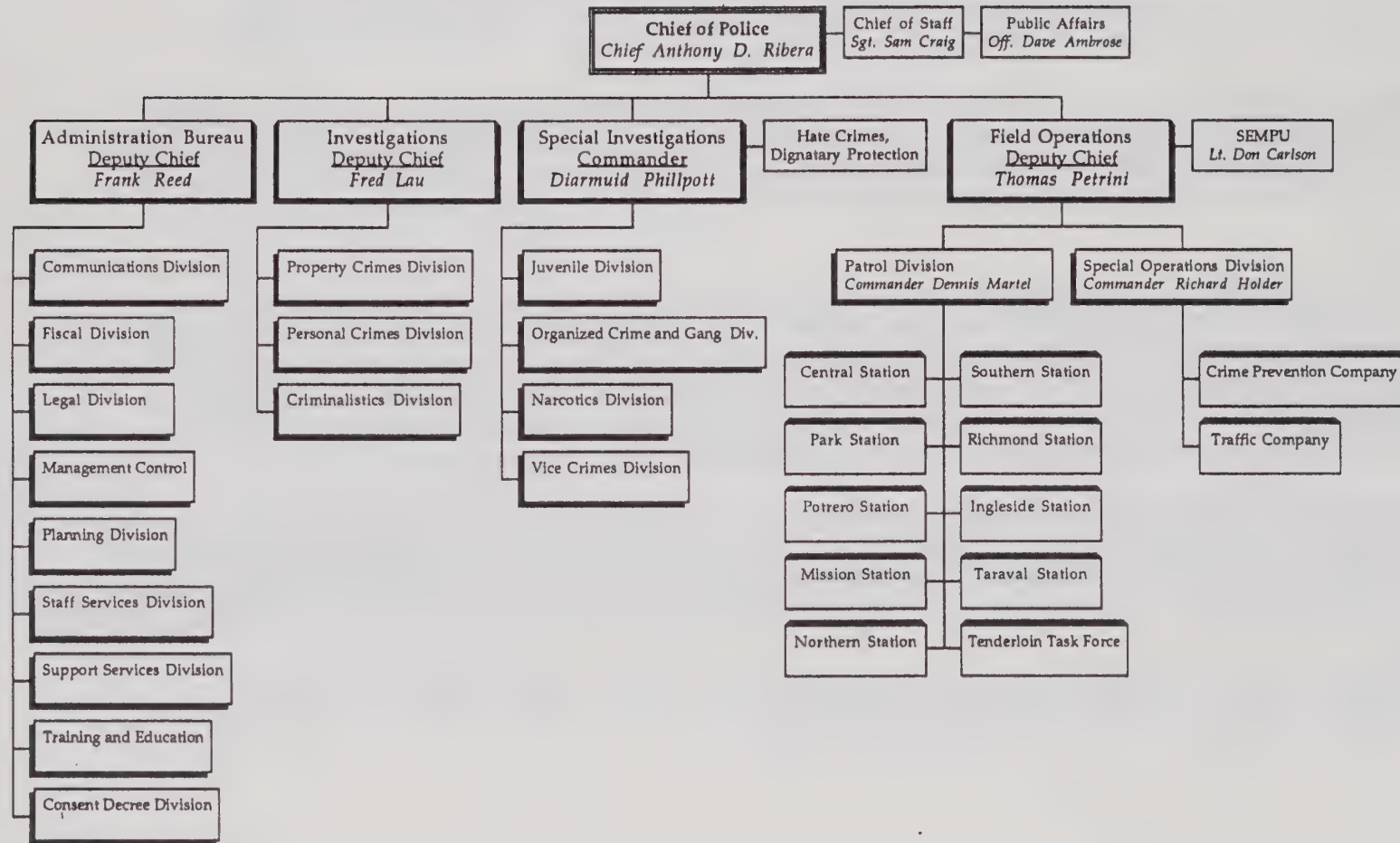
The budgetary data presented in this report is based on the Phase B Department Request 1994-95 budget as of April 29, 1994. All uniform salaries in the Department Request are unstandardized, and therefore understate the actual amount of the Department's budget request. Known increases in uniform salaries and fringe benefits, based on the last year of the three-year Memoranda of Understanding between the City and Police, will increase the total 1994-95 budget by approximately \$6.5 million when it is transmitted to the Board of Supervisors on June 1, 1994.

The most significant aspect of the Police Department's 1994-95 budget request is the proposal to increase sworn personnel to "full staffing" of 1,971 officers. Besides an academy class of 44 trainees hired this fiscal year on January 24, 1994 and the expected 1993-94 hiring of 55 "lateral transfers" in May and June, 1994, the Department plans to hire an additional 165 officers (30 lateral transfers in September, 1994 and three Academy classes of 45 each, with the first class beginning in March, 1995) during 1994-95. The Department's current sworn strength is approximately 1,820 officers, including the 44 Academy trainees. With completion of the hiring plan at the end of 1994-95, depending on rates of attrition, the Department may have over 2,000 sworn personnel, although 135 will be in Academy training.

Although the Department's hiring plan, including the May, 1994 hiring of 25 new '911' Communications Dispatch trainees, has been evolving throughout the Zero Base budget review process, the Budget Analyst has attempted to accurately reflect, in this report, the current schedule for adding sworn and civilian personnel to the Department. As of the writing of this report, the Budget Analyst has not received information on the Mayor's budget recommendations. However we have informed the Mayor's budget staff of our findings and recommendations throughout the Zero Base process.

As a result of the Zero Base review, the Budget Analyst is recommending budget reductions of approximately \$4.1 million. We have also included three policy recommendations that could produce additional savings.

San Francisco Police Department



Department Summary

Department: 38 POLICE

Mission Statement:

To provide San Francisco residents and visitors with a safe environment by efficiently and effectively employing trained staff for the prevention, enforcement, investigation and preparation for the successful prosecution of crime.

1993-94 Budgets by Program

Program Totals	1993-94			
	FTE	Costs	Revenues; Spec.Funds	Net General Fund
1 Administration	369	\$29,462,004	\$1,129,652	\$28,332,352
2 Field Operations	1,326	106,467,249		106,467,249
3 Investigations	339	31,424,315	2,987,208	28,437,107
4 Communications	130	6,756,785		6,756,785
5 Other Services		2,409,446		2,409,446
<i>Subtotal</i>	2164	\$176,519,799	\$4,116,860	\$172,402,939
Capital Outlay		<u>2,403,324</u>		<u>2,403,324</u>
TOTAL	2,164	\$178,923,123	\$4,116,860	\$174,806,263

1994-95

	1994-95 Expenditures (Unstandardized)			1994-95 Revenues and Special Fund Sources		
	Department	Mayor	Budg. Analyst	Department	Mayor	Budg. Analyst
1 Administration	\$31,991,491		\$29,559,360	\$933,500		\$933,500
2 Field Operations	117,817,546		116,146,310			
3 Investigations	30,767,900		30,767,900	1,337,000		1,337,000
4 Communications	8,354,539		8,354,539			
5 Other Services	2,918,591		2,918,591			
Capital Outlay	3,736,146		3,736,146			
TOTAL	\$195,586,213		\$191,482,846	\$2,270,500		\$2,270,500

FY 1994-95 Recommendations

Department: Police

Program: Department Wide Fringe Benefits

Recommended 1994-95 Funding Levels:

	Department	Mayor's Office	Budget Analyst
FICA Medicare	\$1,874,149	\$	\$535,956
OFB: Health Service Dependant Coverage	3,703,740		3,490,881
OFB: Retirement Pickup	<u>5,501,734</u>		<u>5,381,250</u>
	\$11,079,623		\$9,408,087

Explanation of Differences:

1. The BPREP system calculates FICA-Medicare payments based on all objects of pay for Sworn and Miscellaneous positions. The amount budgeted for this subobject, on a department wide basis is \$1,874,149. Only Miscellaneous personnel and Sworn personnel hired after 1986 are subject to these FICA payments. The recalculated amount of \$535,956 is a conservative estimate of the actual Police Department need. The proposed reduction results in a savings of \$1,338,193.
2. "Other fringe benefits" (MOU based dependant health coverage and "retirement pickup" of contributions formerly paid by employees) are calculated by the Police Department.
The amount budgeted for dependant health coverage assumes full staffing of 1,975 officers for the entire fiscal year. Hiring will be phased-in throughout the year however, with most occurring in the last three months of 1994-95. The recommended reduction results in savings of \$212,859.
3. The amount budgeted for "retirement pickup" is based on the original department request for uniform salaries, which was subsequently reduced by the department during the budget process. A re-calculation results in savings of \$120,184.

Summary of Savings:

	<u>Savings</u>
FICA Medicare	\$1,338,193
OFB: Health Service Dependant Coverage	212,859
OFB: Retirement Pickup	<u>120,484</u>
	\$1,671,536

Department: Police
Program: Consent Decree

FY 1994-95 Recommendations

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
Consent Decree Unit*	\$2,409,125	\$	\$1,550,722

* amounts are based on 1994-95 BPREP documents for Consent Decree Index

Explanation of Differences:

Consent Decree

The Consent Decree Unit has requested five new positions and professional services expenditures for 1994-95 amounting to \$1,466,850 (an increase of \$663,850 over 1993-94 appropriations for this professional services).

The new positions requested are:

	<u>number</u>	<u>Salaries</u>	<u>Fringe Benefits</u>	<u>Totals</u>
Training Officer	1	\$50,530	\$9,381	\$59,911
Asst. Personnel Analyst	2	80,544	16,065	96,609
Sr. Personnel Analyst	1	58,516	10,430	68,946
Asst. Division Mgr. Personnel	1	<u>81,119</u>	<u>12,128</u>	<u>93,247</u>
Totals	5	\$270,709	\$48,004	\$318,713

Each of these positions were vacant and deleted from the 1993-94 budget by the Mayor's Office last year. However, the Training Officer is presently funded at the request of the City Attorney and Auditor-Monitor to assist in Consent Decree required training programs.

We recommend that the Training Officer Position be approved, but since it is already funded in the Department's base budget, we are recommending increases to Salary Savings to reduce the expenditures by the amount of \$59,911 including fringe benefits.

We are recommending that the 2 Asst. Personnel Analysts and Senior Personnel Analyst (a position that already exists) be approved to assist with examinations planned for fiscal year 1994-95. Salary Savings can be increased by \$58,516, with fringe benefit reductions of \$10,430.

This Unit was formerly headed by an Assistant Division Manager for Personnel, but the position was eliminated by the Mayor's Office in the 1993-94 budget. We do not recommend the restoration of this position. This recommendation will reduce middle level management. We recommend that the Principal Personnel Analyst position now in charge of this Unit continue to serve as the Manager instead of creating another level of management at an increased salary of \$81,119 annually plus \$12,128 in additional fringe benefits.

FY 1994-95 Recommendations

Department: Police

Program: Consent Decree - Page 2 of 2

The 1994-95 request for professional services includes \$481,300 for examination support costs for the Q50 (Police Sergeant) promotional exam. The Consent Decree court order requires that this exam be conducted by September 15, 1995. The Consent Decree Unit proposes to conduct the exam in 1994-95, instead of next fiscal year, because of anticipated unavailability of hotel space during the summer months of July, August or September of the 1994-1995 fiscal year. However, the Unit has not performed a survey of hotel space in order to verify such anticipated unavailability. Also, other options exist. For example, the Civil Service Commission conducted a Fire Lieutenant promotional exam for over 1,000 applicants at the USF dormitory during the summer months.

The Budget Analyst concludes that more than sufficient lead time exists to plan for the conduct of this examination during fiscal year 1995-96, well prior to the court deadline of September 15, 1995, thus saving \$481,300 this fiscal year.

The proposed budget also includes \$155,000 in other services to conduct a Q-80 (Police Captain) promotional examination. The Consent Decree court orders currently do not specify a deadline for this promotional exam. Deferral of this exam to a future fiscal year is therefore possible. This recommendation will save \$155,000 in 1994-95.

Summary of Recommendations:

	<u>Savings</u>
Delete request for one Assistant Division Manager, Personnel	<u>\$93,247</u>
Increase Salary Savings and Fringe Benefit Savings:	128,857
Reduce Other Services Requests:	<u>636,300</u>
Total Savings	\$858,403

FY 1994-95 Recommendations

Department: Police
 Program: Department Wide Miscellaneous Salaries and Fringe Benefits
 (reduction allocated to Administration Program)

Recommended 1994-95 Funding Levels:

	Department	Mayor's Office	Budget Analysis
Department Wide Miscellaneous Salaries	\$15,370,546	\$	\$14,468,512
plus reductions in mandatory fringe benefits			

Explanation of Differences:

The Zero Base analysis of Miscellaneous positions in the Police Department results in our recommendation to increase Miscellaneous Salary Savings by \$497,019. This recommendation will permit funding of all existing filled miscellaneous positions (at the top salary step) and all new positions requested including funding for the 25 '911' Communications Dispatchers. Related Mandatory Fringe Benefits savings amount to \$82,625.

Of 18 new miscellaneous positions requested, the Budget Analyst recommends approval of a Payroll Clerk for Staff Services (to administer payroll for new hires) and a Shift Supervisor for '911' Communications Dispatch. We also recommend approval of a new Systems and Procedures Analyst (who is currently employed) but recommend a further reduction, through increased salary savings of \$53,322, since the position's salary is currently provided for in the Department's base budget for existing miscellaneous positions.

The Budget Analyst recommends that the following requested new positions be disapproved:

	number	salaries	
Clerk Typists	12	\$89,422	New positions and partial year funding should be denied pending a classification study by the Human Resources Department (as recommended in Policy Options) for purposes of civilianization of administrative and non-sworn functions.
Trial Attorney	1	68,043	Increases in serious allegations of officer misconduct should be managed by proper prioritization of Management Control cases.
Criminologist	1	56,272	Justification based on a 1976 study is no longer valid.
	14	\$213,737	
Fringe Benefits		55,331	
		\$269,068	

Summary of Recommend Savings:

Total Salary Savings and Position Reductions:	\$764,078
Reductions to Mandatory Fringe Benefits:	137,956
Total Savings	\$902,034

FY 1994-95 Recommendations

Department: Police

Program: Administration

(Training and Education BPREP Index 582007)

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
Sworn Salaries	\$1,630,727		\$935,778
Plus reductions in Mandatory Fringe Benefits			

Explanation of Differences:

Sworn Salaries and related Mandatory Fringe Benefits for Academy Recruits in training are budgeted in two indexes (582015 Field Operations and 582007 Training and Education.)

The Budget Analyst recommends the following reduction to eliminate the double budgeting for trainees.

Summary of Savings:

Reduced Sworn Salaries	\$581,500
Reduced Mandatory Fringe Benefits	<u>113,449</u>
Total Savings	\$694,949

Policy Options

Department: Police

Program: Department-wide

Policy Options for 1994-95

1. The Police Department currently has 1,820 sworn personnel, including 44 entry level police officer trainees in the Police Academy, and intends to hire an additional 55 "lateral transfers" in May and June of 1994. The cost of continuing these sworn personnel through Fiscal Year 1994-95 is approximately \$5.9 million in salaries and fringe benefits. In addition, the Department at this time intends to hire 30 lateral transfers and 135 trainees during 1994-95 at a cost of approximately \$2.3 million in 1994-95 (partial year funding of salaries and fringe benefits). Full year funding for these additional officers hired in 1994-95 will be approximately \$8.3 million in salaries and fringe benefits. Additional expenditures will be necessary for materials, supplies and equipment. After expected attrition in 1994-95, the Police Department will have over 2,000 sworn members, although 135 will be in the Police Academy.

An alternative to hiring new sworn officers is "civilianization" of existing functions that do not require peace officers to perform assigned duties. By civilianizing certain administrative and support jobs with lower cost miscellaneous positions, sworn personnel can be re-assigned to police duties such as District Stations and Investigations. Such a policy would be more cost-effective than simply adding more police while continuing to staff administrative and support functions with experience sworn personnel. Although many such sworn personnel are on either permanent or temporary light duty status, significant opportunities to civilianize exist.

The Budget Analyst recommends that the Human Resources Department perform classification reviews of all sworn positions assigned to either administrative or support functions in order to determine whether or not peace officer status is required for such functions and what miscellaneous classification would be appropriate to fulfill responsibilities and duties of each position.

Examples of existing assignments that could be civilianized pending such a review include:

- One Lieutenant and three Sergeants who supervise 26 clerks and light duty officers with word processing responsibilities in the Records Division
- One Sergeant in charge of Payroll
- One Lieutenant, a Sergeant and 4 Police Officers assigned to property control
- One Sergeant, 5 Inspectors and 3 Officers are assigned to the Photo Lab
Responsible for Crime Scene photography and processing film

Policy Options

Department: Police

Program: Department-wide

Policy Options for 1994-95

- One Sergeant, three inspectors and 9 Officers assigned to the Crime Lab's Crime Scene Unit. (Many jurisdictions use civilian "Evidence Technicians" for Photography and Crime Scene evidence control. All crime scenes are supervised by a Patrol Sergeant or higher ranked field personnel.
- One Inspector and five officers are assigned to the Planning Divisions MIS (data processing); section; two officers are in charge of telecommunications (phone line placement and interaction with Pac Tel); an officer is in charge of building administration
- Two officers are assigned to the Fleet management function

If 50 existing sworn personnel can be replaced with miscellaneous positions at salary and fringe benefit costs averaging \$50,000 annually, the Department can increase the number of sworn personnel assigned to law enforcement duties at a savings of approximately \$1.0 million annually over the alternative of simply adding new police officers.

2. The Board of Supervisors recently approved a Federal Grant application by the Police Department for \$2.0 million over two years to support additional police officers. If the grant is approved, the amount that could be used for the Police Department in Fiscal Year 1994-95 is approximately \$650,000. Therefore, as a policy option, the Board of Supervisors could urge that \$650,000 of the Police Department's proposed budget be reserved pending notification of the outcome of the grant application.

Policy Options

Department: Police

Program: Department-wide

Policy Options for 1994-95

3. The Department's Overtime budget is fully funded at \$8.8 million (General Fund) at the department budget request level, based on long standing historical expenditures. Approximately \$600,000 of this amount could, according to Department estimates, be saved if the Superior Court Criminal section would alter scheduling practices to prevent: a) requiring subpoenaed officers to unnecessarily appear on Mondays the week of case calendaring; and b) providing a reasonable advance notice of trial dates to reduce court standby overtime pay. In addition to the savings in overtime expenditures, on-duty officers required to appear unnecessarily would instead be able to perform regular police duties.

The Board of Supervisors may wish to urge the Presiding Judge of Superior Criminal Court to consider these measures in order to reduce overtime spending and increase police patrol presence.

Department Summary

Department: Fire Department

Overview

The Fire Department's primary function is the suppression of fires and responding to medical and other emergencies. Most of the Fire Department programs either directly or indirectly support the fire suppression and emergency response function.

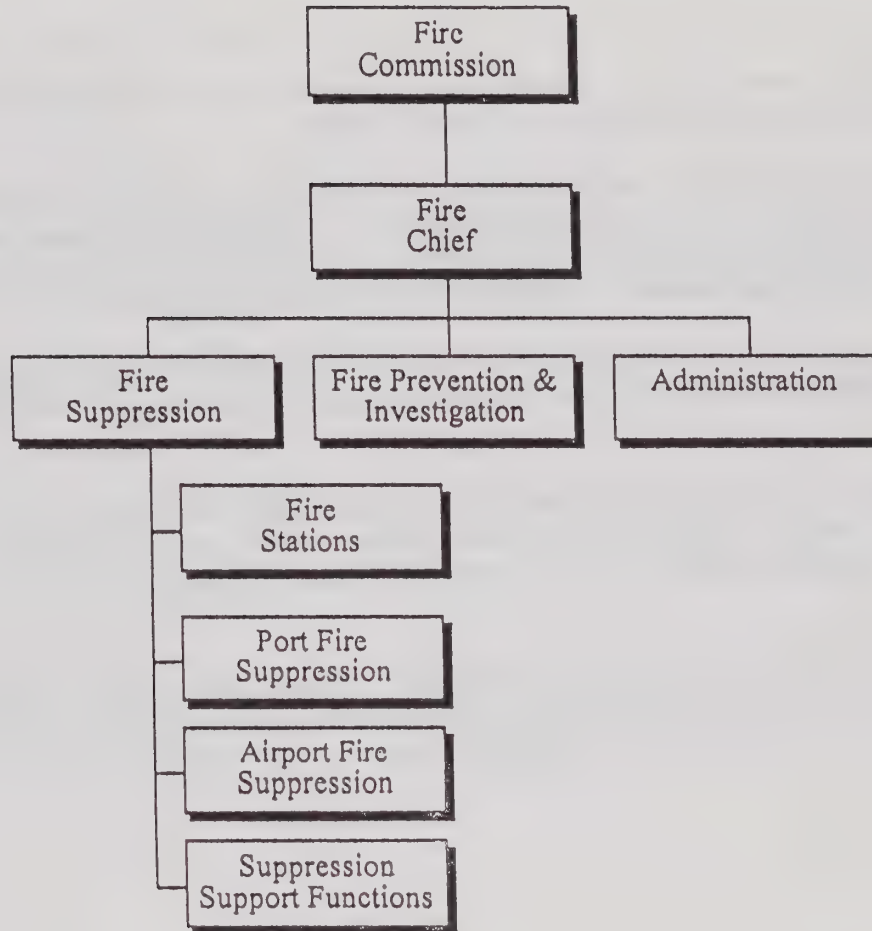
In Fiscal Year 1994-95 the Fire Department will be completing the final year of a five-year Consent Decree issued by the Federal Court to insure that minorities and women are given equal opportunity for employment and promotion in the Fire Department. Among the requirements of the Consent Decree, the Fire Department must hire 500 new Firefighters in the five-year Consent Decree period and redesign promotional examinations. The Consent Decree also places limitations on the elimination of uniformed Officer positions.

Fiscal Year 1994-95 will also be the third and final year of the Firefighters' current three-year Memorandum of Understanding (MOU) with the City. The MOU includes requirements for the ratio of Firefighter and Officer positions in order to ensure safe operation of fire suppression equipment.

For 1994-95 the Fire Department is requesting nine new H10 Chief's Aide positions, increasing the current number of H10 Chief's Aide positions from 47 to the level of 56 such positions that are required in accordance with Officer/Firefighter ratio requirements of the MOU. The Fire Department is also requesting the addition of one medical position for the Fire Surgeon's Office to assist in lowering the high cost of Worker's Compensation for the Fire Department.

The Fire Department indicates that \$22 million of the Proposition 172 half-cent sales tax proceeds are designated for the Fire Department in 1994-95. In addition to this new revenue, the Fire Department is experiencing a major cost reduction because the City's required contribution rate for the retirement benefits of uniformed Fire Department staff has dropped from 40 percent in Fiscal Year 1993-94 to 19 percent for Fiscal Year 1994-95.

Fire Department



Department Summary

Department: Fire Department

Mission Statement:

- Protect the lives and property of the citizens of San Francisco from the ravages of fire, conflagration and natural disaster.
- Control the devastating effects of hazardous material releases.
- Save lives by rendering emergency medical treatment.

1993-94 Budgets by Program

Mayor's Budget Programs	1993-94			
	FTE	Costs	Revenues	Net General Fund
1 Worker's Compensation	0	\$3,500,000	0	\$3,500,000
2 Consent Decree Project	14	2,209,123	0	2,209,123
3 Computer Assisted Dispatch	1	123,109	0	123,109
4 Work Order	14	1,055,936	0	1,055,936
5 Airport	67	6,317,099	\$6,317,099	0
6 Port Fireboat	10	1,326,617	1,326,617	0
7 Fire Suppression	1337	109,633,094	0	109,633,094
8 Fire Prevention	49	3,768,841	2,098,357	1,670,484
9 Fire Investigation	16	1,245,670	0	1,245,670
10 Fire Support Services	34	3,344,912	0	3,344,912
11 Administration	38	3,128,233	0	3,128,233
12 Training	15	1,711,809	0	1,711,809
<i>Subtotal</i>	1595	\$137,364,443	\$9,742,073	\$127,622,370
Capital Improvements		66,566		66,566
TOTAL	\$1,595	\$137,431,009	\$9,742,073	\$127,688,936

Department Summary

1994-95

	1994-95 Expenditures			1994-95 Revenues		
	Department	Mayor	Budg. Analyst	Department	Mayor	Budg. Analyst
1 Work Order	\$1,034,458	\$1,034,274	\$1,034,458			
2 Consent Decree Project	2,228,502	2,228,593	2,228,502			
3 Computer Assisted Dispatch	362,079	368,924	362,079			
4 Airport	6,027,528	6,028,896	6,028,896	6,027,528	6,028,896	6,027,528
5 Port Fireboat	1,216,434	1,215,209	1,216,434	1,216,434	1,215,209	1,216,434
6 Worker's Compensation	4,392,948	4,392,948	4,392,948			
7 Fire Suppression	110,173,639	110,183,168	108,970,531			
8 Fire Prevention	3,907,883	3,908,147	3,826,883			
9 Fire Investigation	1,295,676	1,295,777	1,295,676			
10 Fire Support Services	3,585,099	3,585,418	3,535,899			
11 Administration	2,883,827	2,884,026	2,883,827			
12 Training	1,478,394	1,478,651	1,478,394			
13 NERT	179,709	179,787	179,709			
TOTAL	\$138,766,176	\$138,783,818	\$137,434,236	\$7,243,962	\$7,244,105	\$7,243,962

5/5/94

FY 1994-95 Recommendations

Department: Fire Department
Program: Fire Suppression

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$126,170,297	\$126,187,152	\$124,917,989

Explanation of Differences:

Delete purchase of five full size automobiles. Savings = \$101,000

Delete lease/purchase of four Fire Engines (Pumpers) and two Aerial Ladder Trucks. Savings \$126,558

Delete purchase of a one-ton valve truck and a pick-up truck. Savings = \$49,200

Reduce computer generated budget for Medicare for Uniform employees hired before 1987. Savings = \$975,550

Total Recommended Fire Suppression Program Reductions: \$1,252,308

5/8/94

FY 1994-95 Recommendations

Department: Fire Department
Program: Prevention and Investigation

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$5,203,559	\$5,203,924	\$5,122,559

Explanation of Differences:

Delete purchase of five mid-size automobiles, Savings = \$81,000

5/8/94

FY 1994-95 Recommendations

Department: Fire Department
Program: Administration

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$7,392,320	\$7,392,742	\$7,392,320

Explanation of Differences:

No Recommendations

5/8/94

Policy Options

Department: Fire Department
Program: Fire Suppression

Policy Options for 1994-95

The following four recommendations are policy matters because the number of authorized uniform officer positions is subject to both the Consent Decree and the Firefighter's Memorandum of Understanding.

1. Delete one of two H40 Battalion Chief positions that supervise the Bureau of Assignments. Savings = \$108,000.
2. Reclassify three H20 Lieutenant positions in the Bureau of Assignments to three 1202 Personnel Clerk positions. Savings = \$110,000.
3. Replace the H50 Assistant Chief position that supervises the Division of Training with an H40 Battalion Chief position. Savings = \$22,000.
4. Delete 56 H10 Chief's Aide positions that are essentially drivers for Chiefs. The incumbents would bump down to H2 Firefighter positions. Savings = \$321,000

Department: MUNICIPAL RAILWAY

Overview

The chart on the next page provides a description of the Municipal Railway's organization. The Department is in process of implementing Proposition M, approved in November, 1993, which created the new Transportation Commission. The Department's newly revised organization, which is shown in a chart on the next page includes four major budget units as follows: Administration/Finance/Personnel, Transportation, Maintenance and Capital Program.

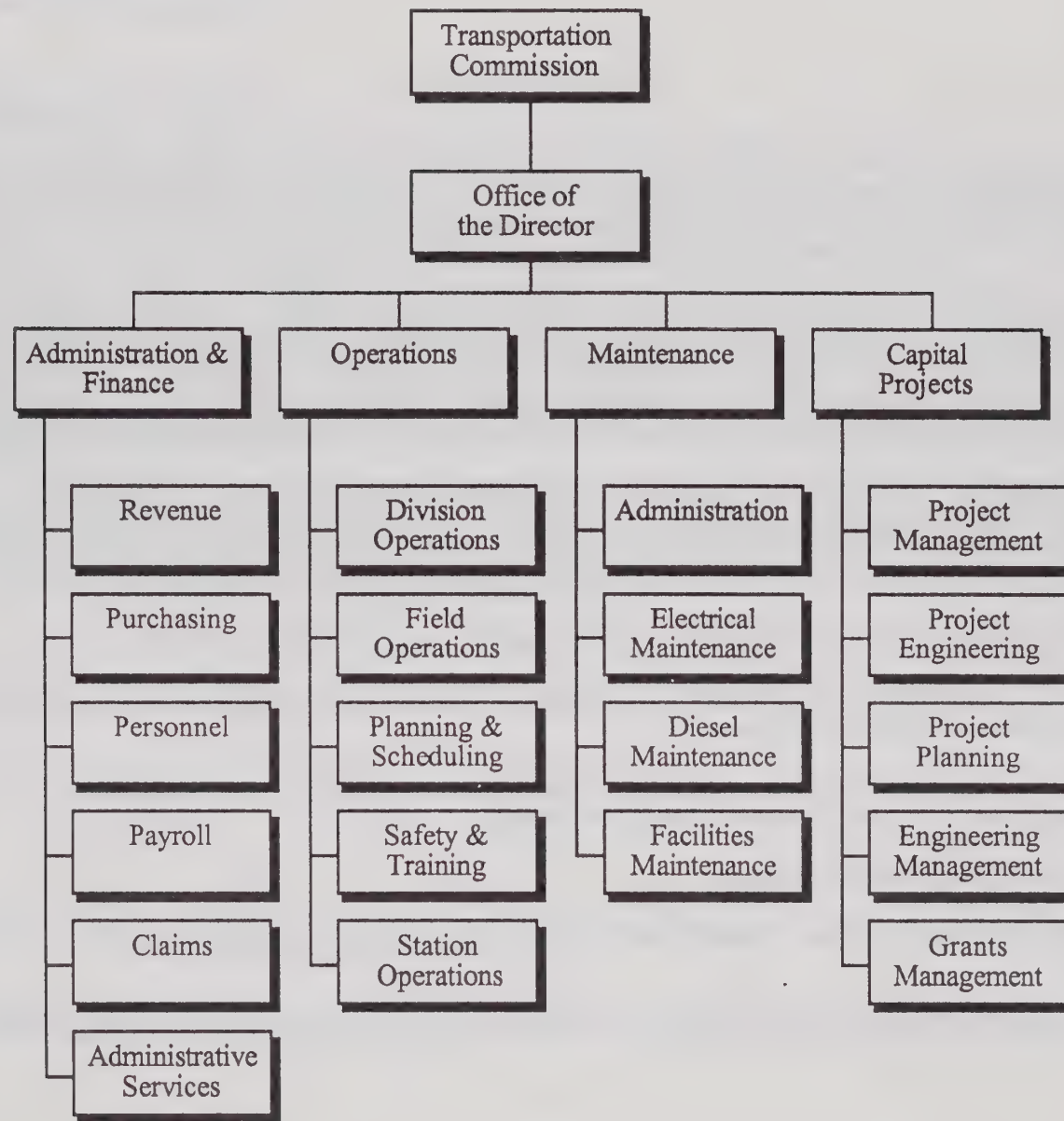
The most significant aspect of the Municipal Railway's budget is that in previous years the Bureau of Financial Management of the Public Utilities Commission (PUC) provided various administrative services to the Municipal Railway and the Utilities Engineering Bureau of the PUC provided administration and management of the Municipal Railway's Capital Programs. The PUC has identified those positions that have worked primarily on Municipal Railway activities vs. Water Department or Hetch Hetchy Department activities and has transferred those positions to the Municipal Railway budget.

The budgetary data presented in this report is based on the Phase B Department Request 1994-95 budget as of April 29, 1994 and the "Municipal Railway's New Programs Budget for 1994-95" which were not included in the Phase B budget but were approved by the Public Utilities Commission at its meeting on February 28, 1994-95. These additional new programs included a total of 83.5 full time equivalent positions and would require additional funding in amount of \$12,371,003.

The Municipal Railway has done their priority rankings within five tiers according to the following:

- Tier 1 Fixed costs - costs that unlikely to change based on policy decisions about service. Also, mandated programs or programs that have their own revenue.
- Tier 2 Sort of Fixed Costs - Costs that are not directly related to service and are at some level fixed costs, but could be examined to see if the level of service could be reduced.
- Tier 3 Costs that are directly related to service.
- Tier 4 Costs that aren't directly related to service, and represent "extras", e.g., you could run service without having it be clean.
- Tier 5 Costs for capital programs not directly related to current service and new and expanded service levels.

Municipal Railway



Department Summary

Department: MUNICIPAL RAILWAY

Mission Statement:

- Maintain and operate a public transportation system.
- Maintain the fleet adequately to provide sufficient equipment to meet scheduled runs.
- Maintain maximum adherence to schedules previously approved by the Public Utilities Commission.
- Maintain fares as low as possible without reducing the system's reliability.

1993-94 Budgets by Program

Mayor's Budget Programs	1993-94			
	FTE	Costs	Revenues	Net General Fund
Transportation	2,127	\$144,906,472	\$177,845,555	(\$32,939,083)
Maintenance	1,058	\$86,834,492	\$0	\$86,834,492
Capital Programs	0	\$0	\$0	\$0
Administration	108	\$39,190,405	\$2,415,000	\$36,775,405
<i>Subtotal</i>	<u>3,293</u>	<u>270,931,369</u>	<u>0</u>	<u>180,260,555</u>
Capital Improvements		\$6,305,550	\$2,949,950	
TOTAL	3,293	\$277,236,919	\$183,210,505	\$90,670,814

1994-95

	1994-95 Expenditures			1994-95 Revenues		
	Department	Mayor	Budg. Analyst	Department	Mayor	Budg. Analyst
Transportation	\$132,335,143	\$130,251,195	\$129,333,086	\$93,598,438	\$93,598,438	\$93,598,438
Maintenance	95,523,026	91,100,799	91,100,799			
Capital Programs	1,107,304	1,107,304	990,761			
Administration	<u>58,847,095</u>	<u>52,472,743</u>	<u>51,882,593</u>	<u>80,334,118*</u>	<u>80,334,118*</u>	<u>80,334,118*</u>
TOTAL	<u>\$287,812,568</u>	<u>\$274,932,041</u>	<u>\$273,307,239</u>	<u>\$93,598,438</u>	<u>\$93,598,438</u>	<u>\$93,598,438</u>

* Includes all departmental revenues except passenger fare revenues.

5/9/94

Fiscal Year 1994-95 Recommendations

Department: Municipal Railway
Program: Transportation

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$132,335,143	\$130,251,195	\$129,333,086

Explanation of Differences:

The Department's request of \$132,335,143 would provide funding for 100% of scheduled service as currently approved by the PUC, implementation of the "proof of payment" program at a net cost of \$112,489 and the addition of Transit Supervisor positions to improve field supervision.

The Budget Analyst's recommendation of \$129,333,086 would provide funding for the same level of scheduled service as previously approved by the Board of Supervisors. Platform operators that are assigned to perform long term special duty are presently paid based on their scheduled transit operator duties which may include overtime premium pay. It should be noted that the Transit Worker's Union Chairpersons and Cable Car starters are guaranteed a minimum of 10 hours daily pay. Eliminating this practice and paying platform operators on long term special duty only for hours actually worked would result a savings of \$171,983. Further, the substitution of administrative positions for certain of these long term special duty operators would result in an additional net savings of \$206,126. Finally, the implementation of a "proof of payment" program which eliminates the need for operators in the second and third cars when multiple LRV's are running on the surface streets would result in net savings of \$540,000. This savings assumes that existing Police Officers presently performing Muni security services would be able to provide adequate supervision of Police Cadets who would issue citations to fare evaders.

All of these recommended reductions which total \$918,109 would require the Municipal Railway to "meet and confer" with the union as all would be changes in existing working conditions. Reducing the hours of TWU Division Chairpersons and Cable Car Starters from a guaranteed 10 hours pay to 8 hours per day for a savings of \$66,200 would further require renegotiation of the existing MOU.

Due to the City's current budget deficit, the Budget Analyst is also not recommending the addition of \$2,083,948 to the municipal Railway budget for new programs which the Public Utilities Commission has submitted to the Mayor as follows:

Fiscal Year 1994-95 Recommendations

Department: Municipal Railway

Program: Transportation

Fund the implementation of the Proof of Payment program on a pilot basis using Sheriff's Deputys and Police Cadets.	\$112,489
Increase funding to equal 99.5 % of scheduled service per calculation	1,005,844
Increase funding to equal 100 % of scheduled service per calculation	574,707
Add 7 9139 Transit Supervisor positions to field locations for monitoring, supervising and adjusting service.	<u>390,908</u>
 Total for new programs requested by the Department.	 \$2,083,948
 Total Transportation Program Recommendations	 \$3,002,057

Department: Municipal Railway
Program: Maintenance

Fiscal Year 1994-95 Recommendations

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$95,523,026	\$91,100,799	\$91,100,799

Explanation of Differences:

The Department's request of \$95,523,026 would provide funding for the current level of maintenance on Municipal Railway equipment and facilities and for a total of \$4,422,227 for increased maintenance funding.

Due to the City's current budget deficit, the Budget Analyst is not recommending the addition of \$4,422,227 to the Municipal Railway budget for new programs which the Public Utilities Commission has submitted to the Mayor as follows:

Sixteen new positions and an increase in transit vehicle parts inventories for improved materials management.	\$3,483,260
Increase of three new positions for maintenance of the LRV fleet and support shop applications for all transit modes.	156,439
Increase of three positions for maintenance of trolley fleet vehicles and wheelchair lifts.	133,599
Four new positions for maintenance of Automated Registering Farebox System which will cease to be under warranty	215,914
Two new positions to provide increased scheduled and unscheduled maintenance of non-revenue vehicles	94,624
One new position for facilities maintenance schedules, planning and administration of the work order system.	51,041
Two new positions to coordinate, monitor and administer the injury and illness prevention program.	83,430
Two new positions to administer programs for the reduction of absenteeism & employee development.	90,358
One new position for graffiti removal and body restoration and repainting.	<u>113,562</u>
Total Maintenance Program Reductions:	\$4,422,227

Fiscal Year 1994-95 Recommendations

Department: Municipal Railway
Program: Capital Program

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$1,107,304	\$1,107,304	\$990,761

Explanation of Differences:

Most of the Department's total budget request for Capital Program of \$8,248,926 is funded from recoveries from individual capital projects which are estimated to be \$7,139,239 in fiscal year 1994-95. Therefore only the remaining amount of \$1,107,687 is shown in the Municipal Railway's operating budget. Most of the positions which are included in this budget were previously in the Public Utilities Commission, Utilities Engineering Bureau and are being transferred to this new budget pursuant to Proposition M which created the new Transportation Commission.

The departmental request includes funding for only one new position which had not previously been authorized in either the Municipal Railway or the Public Utilities Commission budget. The Department's request included a new position of AA80 Deputy Director for Capital Projects, Department of Transportation at a proposed annual salary of \$114,762. The Mayor's Office has recommended a maximum annual salary for this position of \$100,120 instead of the requested \$114,762. The proposed new position of AA80 Deputy Director of Capital Projects, Department of Transportation would have the responsibility for the same duties as an existing 1377 Special Assistant XVIII position as well as additional duties for grant administration, engineering management, construction management and planning. In addition to the new position the departmental request includes an existing 1377 Special Assistant XVIII position which has a maximum annual salary of \$103,043 at the top step. Approval of the new AA80 Director of Capital Projects position without deleting the existing 1377 Special Assistant XVIII position would be duplicative. The department has provided justification for the need for the new Deputy Director for Capital Projects. Therefore, the Budget Analyst recommends deletion of the 1377 Special Assistant XVIII position for asavings of \$116,543 (\$103,043 in Temporary Salaries and an estimated \$13,650 in mandatory fringe benefits).

Total Capital Program Recommended Reductions:

\$116,543

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$58,847,095	\$52,472,743	\$51,882,593

Explanation of Differences:

The Department's request of \$58,847,095 would provide funding for positions in the Public Utilities Commission Bureau of Finance and Administration being transferred to the new Department of Transportation, funding of \$478,826 for the new transportation commission, \$634,688 for a mandatory drug testing and \$6,528,035 for other new positions and for new and expanded services.

The Budget Analyst recommends approval of the department's request for \$634,688 for the Implementation of a drug testing program which is required by the federal government to be started not later than January 1, 1995.

The Departmental Request includes funding for the following new positions:

Position No.	Position Title	No. of Positions	Salaries
AA87	Members, Transportation Commission	5	\$6,000
AA85	Administrative Secretary, Transportation Commission	1	63,554

We recommended that the Budget Committee approved the creation of the 5 Member, Transportation Commission positions and the Administrative Secretary, Transportation Commission in a supplemental appropriation during fiscal year 1993-94. Other new positions requested are:

1450	Executive Secretary I	1	\$41,003
1233	Affirmative Action Spec.	1	43,691
1244	Senior Personnel Analyst	1	58,526
1424	Clerk Typist	1	30,929
1446	Secretary II	1	34,034

The Department has requested the Executive Secretary I to provide additional secretarial support for the new Commission and the new personnel positions due to the proposed decentralization of Human Services functions to larger departments. We are not recommending these additional positions as the need for these additional positions has not yet been justified based on any demonstrable increase in workload. The Department has also requested:

1270	Departmental Personnel Officer	1	\$69,424
9193	Deputy GM of Admin, Municipal Railway	1	89,761

The Department's request includes a reclassification of a 9148 Director of Community Affairs, Municipal Railway to a 1276 Departmental Personnel Director. The Mayor is, instead, recommending approval of a 1272 Senior Departmental Personnel Officer position. In addition the department reclassified a 1677 Assistant General Manager for Finance, Bureau of Financial Management, PUC to a AA79 Deputy Director for Administration and Finance, Department of Transportation. We recommend that these two positions be deleted as the new 1272 Senior Departmental Personnel Officer and new AA79 Deputy Director for Administration and Finance positions can perform these functions.

These recommendations for the deletion of 7 positions will result in a reduction \$436,467 (\$367,368 in salaries and \$69,099 in mandatory fringe benefits) in the department's fiscal year 1994-95 budget request.

Due to the City's current budget deficit, the Budget Analyst is also not recommending the addition of \$6,528,035 to the Municipal Railway budget for new programs which the Public Utilities Commission has submitted to the Mayor as follows:

Funding for an increased level of security for Muni vehicles and facilities.	\$5,050,000
Three positions for contract and workorder administration of increased security.	175,547
Personnel Director for increased supervision of personnel management functions.	113,562
Funding for four youth counselors previously funded by a grant from the private sector.	66,378
Four new positions to extend the hours of the Muni's telephone information service.	210,000
Funding for a Public Information Officer, increased advertising and publications.	397,853
Relocation of the Muni's Accessible Services Office.	31,600
Eight new positions to provide improved revenue collection for cable car revenues	113,755
Five positions to improve administration of occupational health and safety programs.	<u>369,340</u>
 Total for new programs requested by the Department	 \$6,044,940
 Total Administration/Finance/Personnel Recommended Reductions	 \$6,964,502

5/9/94 10:27

Department: Municipal Railway
Program: Alternatives

Policy Options for 1994-95

1. Presently the wage rate for Platform operators is set pursuant to Section 8.404 of the City Charter at the average of the highest two bus systems in the United States operated primarily within municipalities having a population of not less than 500,000. It is estimated that amending the Charter to allow changing to the average of bay area transit systems would result in savings of as much as \$1,860,000
2. Presently newly hired transit operators are paid at a training rate and progress in increments up to the full transit operator pay rate over an 18 month period. The median time period for transit operators progression to full transit operator salary in the major transit systems in the United States is 36 months. Savings could be achieved of an estimated \$300,000 in the first year by renegotiating the memorandum of understanding (MOU) to allow a progression to full salary in 36 months instead of the current 18 months.
3. Presently all platform operators who are assigned more than 6 hours of continuous work are required by the MOU to be paid 20 minutes of straight time pay for lunch in lieu of being granted time off for a lunch period. Renegotiating the MOU to eliminate this practice would result in savings of an estimated \$1,300,000 annually.
4. Presently all platform operators are required to be paid 10 minutes of report time and ten minutes of turn in time in addition to the amount of time actually driving the transit vehicle. Renegotiating the MOU to eliminate this practice would result in savings of an estimated \$1,000,000 annually.
5. Presently all platform operators are paid a 6.25% night duty premium for any work commencing between 8 PM and Midnight. Renegotiating the MOU to eliminate this practice would result in savings of an estimated \$800,000 annually.
6. Presently all platform operators are guaranteed a minimum of 8 hours per day and 40 hours per week and regular operators must be scheduled for 5 consecutive days of work. Renegotiating the MOU to eliminate these scheduling restrictions would allow savings in unnecessary overtime pay estimated at \$750,000 annually.

Department: Social Services

Overview

Our zero based budget analysis for the Department of Social Services (DSS) was limited to the General Assistance and Homeless Services Divisions, since these programs are entirely supported by the General Fund. The attached organization charts reflect the current activities and functions of these divisions.

Significant changes in the General Assistance Division include a decrease during 1993-94 of actual GA aid payments below projected levels. It is not known whether this decline in GA caseloads and aid expenditures during 1993-94 will continue in 1994-95. We have estimated 1994-95 aid expenditures at \$51.3 million, or approximately 2 percent less than our current estimate for 1993-94 aid expenditures of \$51.6 million. The specific reasons for the decline of caseloads during 1993-94 cannot be precisely identified.

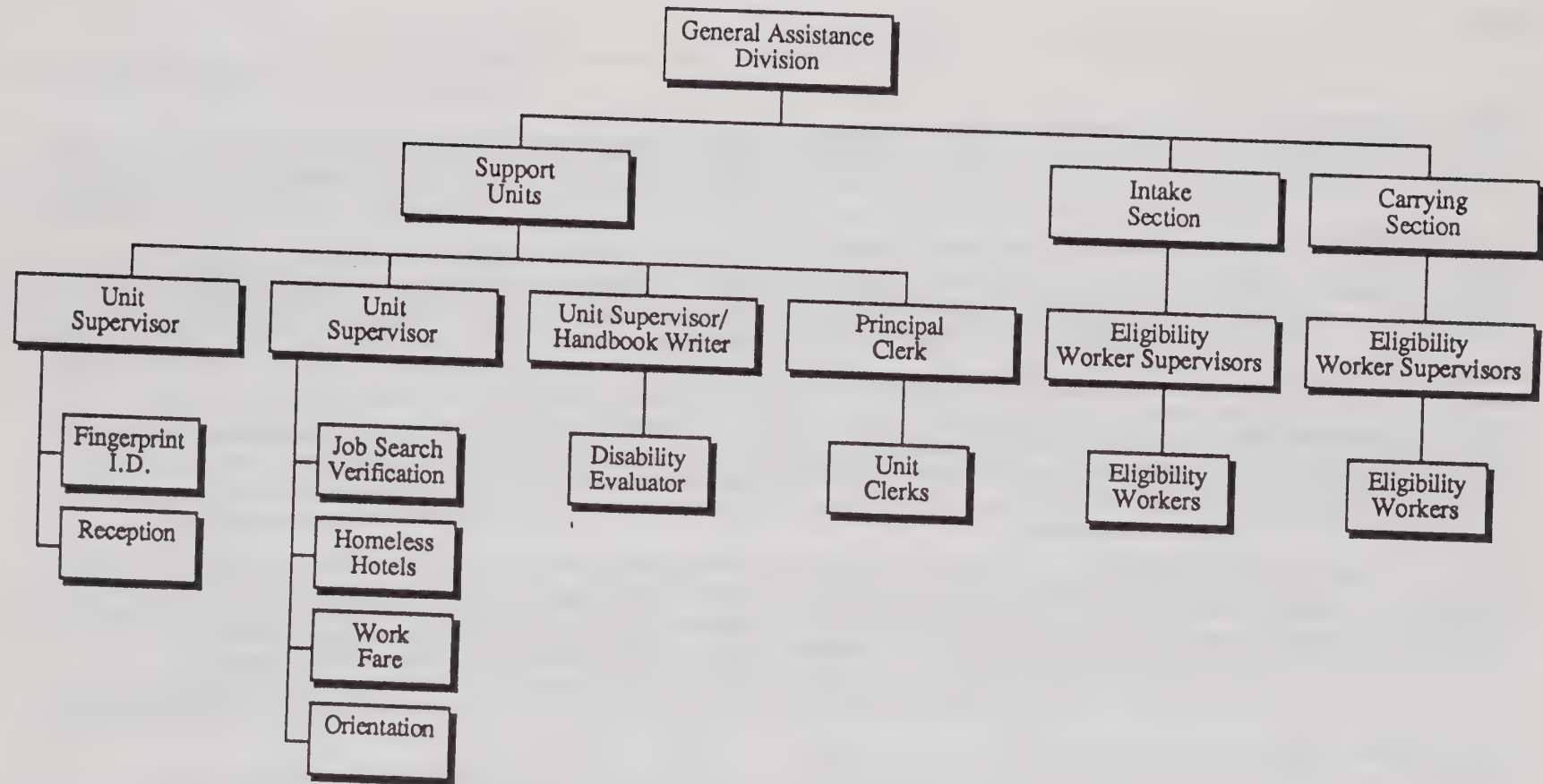
Our zero-based budget analysis also includes estimates of the savings which would be realized if the monthly GA grant were reduced below the current grant amount of \$345 per month for a single individual. The GA grant amount is a policy matter for the Board of Supervisors. DSS proposed budget does not include a scheduled cost of living adjustment (COLA) for GA grant recipients which is scheduled to take effect July 1, 1994. Unless the COLA is suspended by the Board of Supervisors, GA aid expenditures will be under-budgeted by approximately \$1 million. The Budget Analyst's estimate of aid expenditures would increase by \$1 million from \$51.3 million to \$52.3 million if the scheduled COLA is not suspended by the Board of Supervisors.

Significant changes in the Homeless Services Division in 1994-95 include an increase of approximately \$1.3 million for homeless contracts. Proposed new contracts for 1994-95 include funds for a new family shelter, a supportive housing program for GA recipients, and a mandatory direct rent payment program for homeless GA clients, whereby rent payments (estimated at \$280 per month) would be deducted from the GA grants of homeless clients and the remainder (estimated at \$65 per month) provided to the recipient. Approval of the proposed new contracts in the Homeless Services Division is a policy matter for the Board of Supervisors.

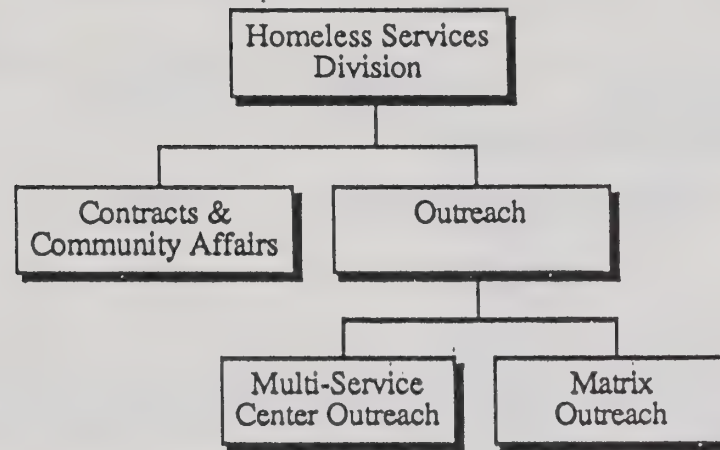
DSS has requested 13 new positions for its GA and Homeless Services Division for 1994-95, including 8 new case workers in the GA Division and two permanent positions for Matrix outreach services which were funded with temporary salaries in 1993-94.

The Governor has submitted a new realignment proposal for the State's social service programs in 1994-95. This proposal could significantly alter funding formulas in many DSS programs and the costs to the General Fund of providing social services. However, complete details of the Governor's realignment proposal are not yet available, and will have a lesser impact on the GA and homeless programs which we have analyzed for this report, since these programs are already fully supported by the General Fund.

Department of Social Services - General
Assistance Division



Department of Social
Services - Homeless
Services Division



Department Summary

Department: Social Services (General Assistance and Homeless Services Divisions only)*

Mission Statement:

To provide financial assistance and social services in an effective, respectful, and timely manner to eligible needy persons, in order to meet their basic necessities, maximize self-sufficiency, and stabilize families.

1993-94 Budgets by Program

Mayor's Budget Programs	1993-94			
	FTE	Costs	Revenues	Net General Fund
1 GA Administration	163	\$8,020,793	\$0	\$8,020,793
GA Overhead		\$2,748,257	\$0	\$2,748,257
GA Aid payments	—	\$52,378,015	\$0	\$52,378,015
Subtotal	163	\$63,147,065	\$0	\$63,147,065
2 Homeless Services	8	\$7,712,458	\$0	\$7,712,458
Homeless Overhead	—	\$226,283	\$0	\$226,283
Subtotal	8	\$7,938,741	\$0	\$7,938,741
3 All other programs	1124	\$239,499,895	\$216,588,622	\$22,911,273
TOTAL	1295	\$310,585,701	\$216,588,622	\$93,997,079

1994-95

	1994-95 Expenditures				1994-95 Revenues		
	Department	Mayor	Budg. Analyst		Department	Mayor	Budg. Analyst
1 GA Admin	176	\$9,066,572	\$9,066,572	\$8,553,080	\$0	\$0	\$0
GA Aid payments		\$51,902,728	\$51,902,728	\$51,316,547	\$0	\$0	\$0
GA Overhead	—	\$3,066,818	\$3,066,818	\$2,851,809	\$0	\$0	\$0
Subtotal	176	\$64,036,118	\$64,036,118	\$62,721,436			
2 Homeless Services	10	\$9,198,970	\$9,198,970	\$9,198,970	\$0	\$0	\$0
Homeless Overhead	—	\$134,143	\$134,143	\$134,143	\$0	\$0	\$0
Subtotal	10	\$9,333,113	\$9,333,113	\$9,333,113			
3 All other programs	1156	\$244,815,585	\$244,815,585	\$244,815,585	\$223,220,006	\$223,220,006	\$223,220,006
TOTAL	1342	\$318,184,816	\$318,184,816	\$316,870,134			

* Only these programs were reviewed in this department because they are supported entirely by the General Fund. The department's other program areas are largely subvented by State and Federal funds.

Department: Social Services
Program: General Assistance - Administration

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
General Assistance budgeted costs	\$9,066,572	\$9,066,572	\$8,553,080
Allocated DSS overhead (General Fund savings)	\$3,066,818	\$3,066,818	\$2,851,809

Explanation of Differences:

- Disapprove 10 new positions requested for GA case carrying functions: 8 2905s, 1 2907, and 1 1426. The 1994-95 budgeted cost of these positions is \$475,176. Including the effect on DSS revenues, the estimated cost to the General Fund of adding the proposed new positions would be \$672,561, due to overhead costs associated with these positions estimated at \$197,385.

DSS has requested the 10 new positions because San Francisco's caseloads are higher than other counties.

DSS reports the following comparative caseload statistics as of February, 1994:

<u>County</u>	<u>Caseload/worker</u>
San Francisco	249
Alameda	157
Contra Costa	161
San Mateo	51
Santa Clara	160
Marin	40
Sacramento	177
Los Angeles	279
San Diego	230
Solano	225
Orange	144

Source: Department of Social Services

Department: Social Services

Program: General Assistance - Administration

The Budget Analyst notes that DSS has not attempted to quantify the effect of its current caseloads on GA program costs. The Budget Analyst recommends that any potential increase in GA case workers should be based on the results of the General Assistance program's semi-annual quality control evaluation, which DSS is required to conduct under the City's Administrative Code. DSS' last written quality control report for the GA program was issued in April, 1992.

In addition, the Budget Analyst believes that it is inappropriate to add new positions at this time in view of recent decreases in the GA caseload, below the projected levels for 1993-94.

General Assistance aid payments have decreased approximately 5.6 percent since July 1993, compared to DSS' original projected aid payments for 1993-94. The actual caseload in 1993-94 to date is approximately 5.9 percent less than DSS original 1993-94 caseload projection. If this trend continues, caseloads in 1994-95 will average an estimated 14,082 per month. At an average caseload of 14,082, caseloads per worker would be 235 with existing staff, or 207 if the 8 additional case workers requested by DSS are approved.

It cannot be established whether the decrease in the City's GA caseload during 1993-94 has resulted from new program restrictions approved by the voters in November, 1993 (Proposition V), from other programmatic and/or economic factors, or a combination of all of these factors.

- Request DSS to comply with the Quality Control reporting requirements of the City's Administrative Code in order to assess the performance of the GA Division and the effects of program changes over time. Administrative Code Section 20.59.12 requires semi-annual reports no later than January 31 and July 31 of each year for the first and second six months of the fiscal year, respectively.
- Disapprove the addition of one new 2905 Senior Eligibility Worker who monitors hotel quality, requests inspections, and transfers clients. This was a temporary position in 1993-94 which was added in conjunction with DSS Matrix outreach. The City is not mandated to perform these functions in addition to the Fire Department, DPW and DPH who have responsibility to monitor regulatory compliance. If needed, services could be coordinated by 2 other 2905's who coordinate hotel placements within the GA Division for medically fragile and homeless clients. The 1994-95 budgeted salary and fringe benefit costs of this position are \$38,316. However, including the effect on DSS revenues, this position, if approved, would add new General Fund costs estimated at \$55,940, due to increased overhead costs in the GA program, estimated at \$17,624.

Department: Social Services

Program: General Assistance - Administration

Total Recommended Reductions:	\$513,492
Total General Fund Savings:	\$728,501

(The recommended decrease of \$215,009 in GA allocated overhead will be realized as higher State and Federal revenues in other DSS programs, due to a decrease in the GA share of all DSS program costs.)

Department: Social Services
Program: General Assistance - Aid payments

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$51,902,728	\$51,902,728	\$51,316,547

Explanation of Differences:

- Reduce General Assistance budgeted aid payments by \$586,181 (from \$51,902,728 to \$51,316,547) based on 1993-94 caseload decline and historical trends.
- Reserve \$1,750,000 (of \$51,316,547) budgeted for GA aid payments pending further analysis of actual 1994-95 caseload trend as of 1/1/95, to determine whether caseload is continuing to decrease, stabilizing, or increasing to previous levels. Request that DSS report on 1/31/95 (as part of its Quality Control performance evaluation) concerning the 1994-95 caseload trend as of 1/1/95.

Total Recommended Reductions: \$586,181

Total Recommended Reserves: \$1,750,000

Department: Social Services
Program: General Assistance

Policy Options for 1994-95

- The City will expend an estimated \$51.3 million in 1994-95 in General Assistance aid payments to indigent persons. Currently, the monthly grant for a single individual is \$345. The minimum monthly grant which must be provided is \$299, based on the State's monthly AFDC grant for families with one eligible family member. Above this \$299 minimum, the amount of the City's monthly General Assistance grant for indigent persons is a policy matter for the Board of Supervisors.

A DSS survey of other California counties in February, 1994 provides the following comparative data concerning GA cash grant amounts:

<u>County</u>	<u>Cash grant</u>
San Francisco	345
Alameda	300
Contra Costa	300
San Mateo	299
Marin	307
Santa Clara	300
Sacramento	286
Solano	299
Los Angeles	294
San Diego	294
Orange	299
Median:	299

- DSS' proposed 1994-95 budget does not include funds for a scheduled GA grant Cost of Living Adjustment which will take effect July 1, 1994. The estimated cost of this COLA will be \$1 million. Therefore, unless the COLA is suspended by the Board of Supervisors, GA aid payments will be under-budgeted by approximately \$1 million in 1994-95. The COLA is expected to result in a two dollar (\$2.00) increase in the monthly GA grant for single individuals, from the current \$345 to \$347.

Department: Social Services
Program: Homeless Services

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$9,198,970	\$9,198,970	\$8,886,470

Explanation of Differences:

•Reduce funding for the Direct Rent Payment program (in object 190: non-profit contracts) by \$312,500 from \$750,000 to \$437,500 to reflect an anticipated start-up date of December 1, 1994 at the earliest, as reported by DSS. This \$437,500 would provide funds for the seven-month period December 1, 1994 through June 30, 1995.

•Approval of funds in 1994-95 for the Direct Rent Payment program is a policy matter for the Board of Supervisors. If funds are approved, the \$437,500 expected cost over 7 months should be placed on reserve pending identification of the contractor for this program.

Total Recommended Reductions: \$312,500

Total Recommended Reserves: \$437,500

Department: Social Services
Program: Homeless Services

Policy Options for 1994-95

• Approval of the mandatory Direct Rent Payment program for homeless GA recipients is a policy matter for the Board of Supervisors. Under the Direct Rent Payment program, the GA grants for homeless GA clients would be forwarded to fiscal agents who would secure housing and make direct rent payments to landlords, and remit the balance of the grant to the recipient. Rental rates are expected not to exceed \$280 per month. Based on the current maximum monthly GA grant of \$345 for single individuals, deducting a mandatory housing allowance of \$280 would result in a cash grant of \$65 per month being made available to homeless GA clients.

DSS has requested funds for the Direct Rent Program in order to:

- (1) ensure that GA grant monies are used by homeless GA recipients to obtain housing, which is a basic necessity, rather than other consumer goods, which may include drugs or alcohol and therefore contribute to substance abuse;
- (2) discourage an influx of homeless persons to San Francisco, where the GA grant is higher than other counties, by requiring that the grant be used to procure housing, and by thereby reducing the net monthly grant to approximately \$65 from the current level \$345; and,
- (3) identify instances in which GA clients falsely claim to be homeless; DSS states that some false reports of homelessness are being made in order to conceal fraud in the AFDC program, and that the Direct Rent Program could therefore result in lower AFDC expenditures.

A contractor has not been selected for this program. DSS estimates that, of the \$750,000 requested for the Direct Rent Payment program, \$435,000 would be used for fiscal administration and coordination of housing services by the contractor and \$315,000 would be used to provide case management services.

DSS has requested \$750,000 to fund the program in 1994-95, but now reports that implementation is not expected to begin at least until December 1, 1994. Therefore, the Budget Analyst has recommended a reduction of the budgeted amount from \$750,000 to \$437,500 to reflect funding over seven months rather than a full year. If approved by the Board of Supervisors, this \$437,500 should be placed on reserve pending identification of the contractor who will provide the services. At the reduced \$437,500 funding level over 7 months, approximately \$253,750 would be used for fiscal administration, and \$183,750 would be used for case management.

• Approval of 2 new Class 2912 Senior Social Workers to conduct Matrix outreach is a policy matter for the Board of Supervisors. These positions were funded with temporary salaries in 1993-94. The 1994-95 salary and fringe benefit costs for these positions would be \$99,916. Including the effect on DSS revenues, the total General Fund cost to add these positions is estimated at \$141,541. In addition, the cost of hotel rooms at the Mission Hotel would add \$73,000 in new costs in 1994-95. The total General Fund cost in 1994-95 to add the proposed new positions and to fund the Mission Hotel rooms is \$214,541.

- The addition of the following new services in 1994-95, which were not funded in 1993-94, is a policy matter for the Board of Supervisors:

St. Paulus Family Place: \$150,000 to provide shelter, case management, and housing assistance to 40 families

Community House: \$25,000 to provide transitional housing and support services to GA recipients.

Season of Sharing: \$8,000 for staff support to coordinate Season of Sharing grants

Department: Sheriff***Overview***

The Sheriff's Department is facing a major expansion in 1994-95 with the planned opening of the new jail at the Hall of Justice. This is on top of extensive growth over the past few years with the opening of a new facility in San Bruno. Besides the new facilities, the Department has been renting space from Alameda County to send prisoners when San Francisco's own facilities are too crowded.

The jail population on March 21, 1994 was 2,083. The State Board of Corrections capacity for the jails in San Francisco is 1,749. The Sheriff's own rated capacity is 2,030. the 2,083 does not count 251 prisoners housed in Alameda County.

The Sheriff's Department is operating under a consent decree which limits the population and mandates a certain staffing level at Jail #1 (the 6th floor of the Hall of Justice). In addition, a recent lawsuit settlement mandates that certain posts be filled at the Jail #3 in San Bruno.

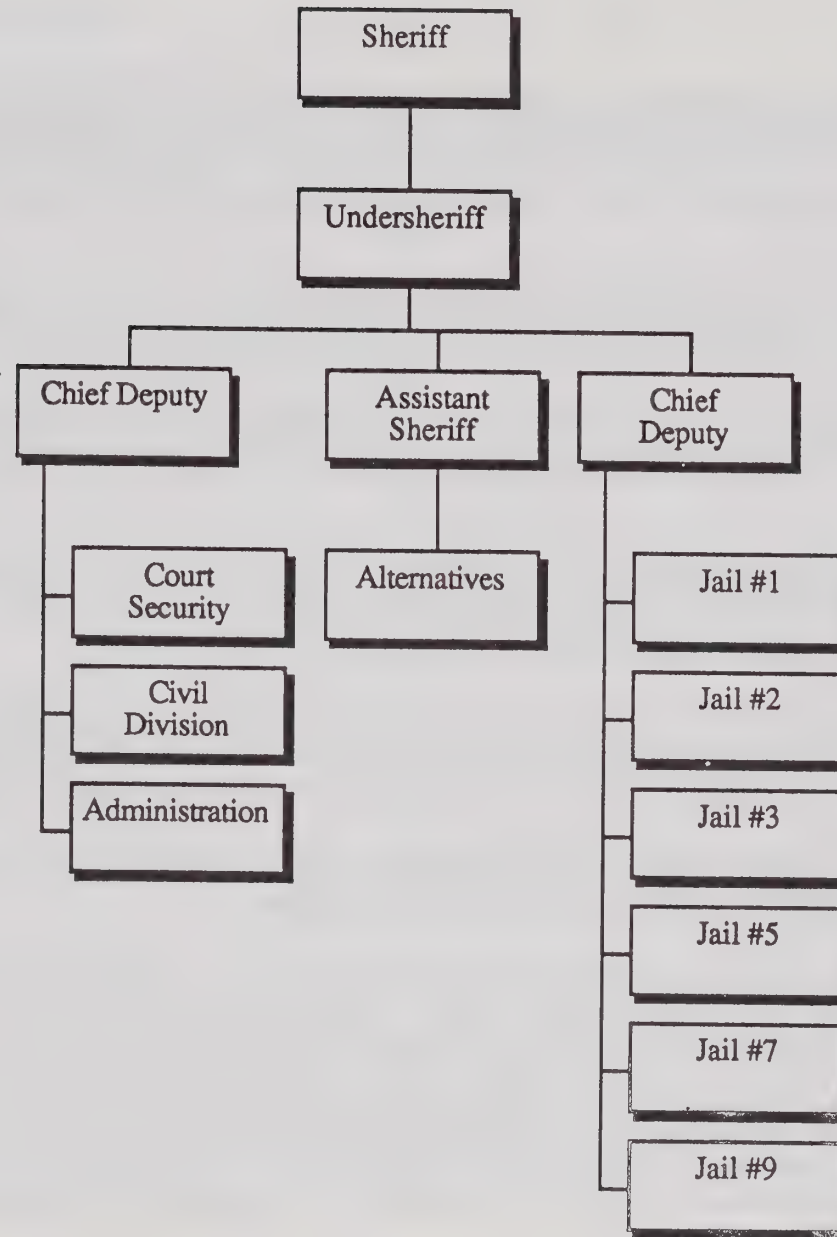
To accomodate the burgeoning prisoner population, the Department is attempting to expand its alternative programs including residential treatment, electronic monitoring, and others. In addition, in existing jails, the Department has been expanding its programs in an attempt to keep the prisoners busy and to reduce the incidence of violence in the jails.

Jail #7 (the newer jail in San Bruno) is a "direct supervision" jail which means that deputies supervise the prisoners in open modules, as compared to more traditional linear-style cell blocks. The Department has found direct supervision to be effective and will be further implementing that approach at the new jail at the Hall of Justice, scheduled to open in January, 1995.

The Department's 1994-94 budget was approximately \$56 million and there were approximately 588 employees. For 1994-95, is the Department is requesting approximately \$60 million and close to 700 employees.

The Department has not civilianized many of its administrative and clerical positions. As a results, costs are higher than may be necessary for a number of positions in the department due to higher retirement costs for deputy sheriffs. In some counties, a correction officer classification, paid at a lower rate than deputy sheriffs, has been created to work in the jails. As an alternative to these cost-saving options, the Sheriff is considering creation of a Recruit classification that would be paid at a lower wage than a deputy but would be eligible for promotion to deputy after 18 months. We support this concept or the alternative of creating a Sheriff's Technician classification to perform some of the administrative and clerical jobs in the department. Our recommendations include a number of suggestions for jobs where a Recuit or Technician would be appropriate.

Sheriff's Department



Department Summary

Department: SHERIFF

Mission Statement:

- Maintain and operate a safe and secure jail system
- Provide security for the Superior and Municipal Courts
- Provide execution and service of civil court orders, processes, and notices
- Develop and maintain alternatives to incarceration

1993-94 Budgets by Program

Mayor's Budget Programs	1993-94			
	FTE	Costs	Revenues	Net General Fund
Custody	419	\$44,593,093	\$2,511,710	\$42,081,383
Court Security/Civil	86	\$5,747,049		\$5,747,049
Administration	48	\$3,674,031		\$3,674,031
<i>Subtotal</i>	<u>553</u>	<u>\$54,014,173</u>	<u>\$2,511,710</u>	<u>\$51,502,463</u>
Capital Improvements		\$304,588		
TOTAL	<u>553</u>	<u>\$54,318,761</u>	<u>\$2,511,710</u>	<u>\$51,502,463</u>

1994-95

	1994-95 Expenditures			1994-95 Revenues		
	Department	Mayor	Budg. Analyst	Department	Mayor	Budg. Analyst
Custody	\$49,259,767	\$46,763,790	\$45,073,115	\$2,671,976	\$2,671,976	\$2,747,896
Court Security/Civil	5,905,409	5,490,160	5,648,520			
Administration	3,834,800	3,368,700	3,247,271			
TOTAL	<u>\$58,999,976</u>		<u>\$53,968,906</u>	<u>\$2,671,976</u>	<u>\$2,671,976</u>	<u>\$2,747,896</u>

5/9/94

FY 1994-95 Recommendations

Department: Sheriff

Program: Administration

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$3,834,800	\$3,368,700	\$3,247,274

Explanation of Differences:

Out of 48 positions in this program, 20 are sworn officers performing administrative functions. Though Sergeants are defined as supervisory positions, most in this program area have limited supervisory duties. Sergeant to Deputy ratio in Administration is 1: 2 as compared to department-wide average of 1:9. In addition, there are less costly civil service classifications that could perform many of these administrative functions.

Budget Analyst recommends civilianizing a number of administrative functions and consolidating a number of the smaller administrative sub-programs, as follows.

Consolidation of Functions

Recommended consolidations:

Background/Personnel/Training: Replace 1 Sergeant with Deputy at a savings of \$13,405.

Fiscal/Payroll/Purchasing/Research & Development: Replace 1 Sergeant with Deputy at a savings of \$13,405.

Civilianization

Public Information Office: Convert 1 Sergeant to civil service Public Information Officer classification for an annual savings of \$21,236.

Capital Improvements: Convert 1 Lieutenant to a civil service Sr. Administrative Assistant for an annual savings of \$15,691. This assumes that necessary capital projects oversight is being performed adequately by the Department of Public Works whose services are paid for by the Sheriff's Department.

Research and Development: Convert 1 Sergeant to a civil service Management Information Specialist, 1 Sr. Deputy to a civil service Management Assistant and 1 Deputy to a civil service Management Information Systems Technician II for an annual savings of \$52,716.

FY 1994-95 Recommendations

Personnel: Convert 1 Senior Deputy and 1 Deputy to Personnel Technicians at an annual savings of \$32,969.

Purchasing: Civilianize 2 Deputies to Purchasers at a savings of \$11,234.

Fiscal Services: Civilianize 1 Deputy (formerly a Sergeant before consolidations recommended above) to a Senior Management Assistant at an annual cost of approximately \$279.

To provide sufficient time for reclassification analyses by the Human Resources department and for hiring of new civilians, the savings for 1994-95 are estimated for 6 months only, which amounts to \$50,299. Annualized, civilianization would save \$100,598.

Recommend reduction in staffing in Research & Development function of one Deputy based on ability of department to decentralize portions of this function. Annual savings = \$60,713.

Recommend reduction in Capital Improvements staff by deleting one Deputy position at \$60,713 in recognition of diminished workload due to opening of new jail.

Recommend deletion of requested new Trial Attorney position, which would be the third attorney in the department. The request is a substitution for an existing Senior Deputy. Approximate annual savings if request not approved = \$72,509.

Department-wide mandatroy fringe benefits overbudgeted by including FICA-Medicare for all employees rather than just those hired after 1986. Reduce budget in this area by \$300,000.

Total Administration program recommendations: \$587,529.

Fiscal Year 1994-95 Recommendations

Department: Sheriff

Program: Court Security/Civil

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$5,747,049	\$5,490,160	\$5,490,160

Explanation of Differences:

26 City Hall courtrooms now staffed by 14 Senior Deputies and 1 Deputy. All courtrooms are for civil proceedings where prisoners are not present. 2 courtrooms at Calif Hall are staffed by 3 Senior Deputies. City Hall courtroom coverage is now accomplished through some "pooling" of deputies who rove between courtrooms. Budget Analyst recommends increase in number of positions at City Hall from 15 to 18 but replacement of 12 Senior Deputies with 11 Deputies and 5 Sheriff's Recruits/Technicians. The number of "lead worker" Senior Deputies not justified; job could be done by Deputies and Recruit/Technicians. Annual savings = \$54,411

The three Senior Deputies at Calif Hall should be replaced by 2 Deputies and 1 Recruit/Technician to operate the metal detector. for an annual savings of \$49,435.

Five Youth Guidance Center courtrooms & 1 metal detector now staffed by 5 Senior Deputies and 2 Deputies. Budget Analyst recommends 1 Senior Deputy, 5 Deputies, & 1 Recruit/Technician for an estimated annual savings of \$68,713.

20 Hall of Justice courtrooms covered by 13 Senior Deputies & 20 Deputies. 7 courtrooms have 2 deputies each; one for prisoner movement; 1 for courtroom presence. Master calendar courtroom has 4 deputies. Budget Analyst recommends conversion of 9 Senior Deputies to Deputies for a ratio of Senior Deputies to Deputies of 1:7 and annual savings of \$84,330.

5/9/94 Total Court Security savings = \$256,889

Recommendations

Department: Sheriff
Program: Alternatives to Custody

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$5,205,742	\$5,205,742	\$4,963,659

Explanation of Differences:

Recommend reduction in number of levels of management in department from current five to four through deletion of Assistant Sheriff level. San Francisco has more layers of management (defined as Sheriff through Captain) than the other largest Bay Area counties (Alameda has 4; Santa Clara & Contra Costa have three each) and more than many other large counties in the state. The Assistant Sheriff is the third in command and oversees the alternatives programs. The Alternatives program is relatively small compared to the other units of the department (Custody, Court Security/Civil, and Administration), amounting to approximately 10 percent of the budget. The remaining 90 percent is overseen by two lower-ranked Chief Deputies. The Alternatives program could be integrated into the Custody program area, overseen by the Chief Deputy for an annual savings of \$110,683. The Assistant Sheriff is a Charter-allowed position.

The 1994-95 budget includes approximately \$1.5 million for residential treatment programs for inmates. Of that, \$131,400 is allocated to Third Baptist program which should be deleted as a contract is not in place for this program.

Total Annual Savings = \$242,083

5/9/94

Recommendations

Department: Sheriff

Program: Custody Administration

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$3,525,795	\$3,525,795	\$2,541,384

Explanation of Differences:

Consolidation of the Alternatives Program with Custody is recommended in our discussion of the Alternatives Program. The recommendation would place Alternatives under the direction of the Chief Deputy for Custody and would delete the Assistant Sheriff layer of management. As an alternative, the Chief Deputy for Custody position could be deleted and the responsibilities of that position subsumed under the Assistant Sheriff, which is a Charter-allowed position. Elimination of this position would reduce departmental costs by approximately \$104,985 per year.

The Sheriff's requested budget includes \$4,565,257 for meals at the existing and new jails. This assumes 11,412 meals per day or an average daily population served of 3,804. A more realistic average is 2,500 average daily inmate population plus 222 inmates for the new jail (half-year only); 272 existing jail staff, and 53 new jail staff (half year only) for an average daily population of 3,047 or 9,141 meals per day. This equates to a total cost of \$3,656,766, or \$908,491 less than requested in the 1994-95 budget.

Revenues

The department's cost per prisoner per day is estimated to be \$72. Federal and State prisoners housed at the City and County's jails pay a negotiated rate of \$59 per prisoner per day. Increasing these rates to \$72 would increase revenues for Federal prisoners by \$75,920 per year. The State reportedly will not pay more than \$59 per day. If this rate can be renegotiated to \$72, the increase in revenues for boarding State prisoners would be \$47,450 per year.

5/9/94

Recommendations

Department: Sheriff

Program: Custody: County Jail #1

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$8,352,146	\$7,950,194	\$7,865,825

Explanation of Differences:

Budget Analyst recommends conversion of the following posts at this jail to a new Sheriff's Recruit/Tech. classification. The posts recommended are not primarily responsible for the supervision of inmate housing units. Posts comparable to these are civilianized in other California counties.

Booking posts; 5 positions converted to Recruit/Tech. status; annual savings of \$125,610. This would leave one Deputy Sheriff at all shifts for security.

Records desk; 1 position at an annual savings of \$25,122

Trusty supervisors: 5 positions at an annual savings of \$125,610

Clothing Exchange Supervisor: 1 position at an annual savings of \$25,122

Re-booking, property management, and mail screening: 4 positions at an annual savings of \$100,488.

Budget Analyst recommends fully contracting out for food services. Currently, food services are provided by a combination of contractor and civil service personnel. Estimated savings would be approximately \$7,000 for this facility (out of \$23,600 department-wide). In addition, \$34,000 can be deleted from temporary salaries now used to cover on-call Chefs. Reduce temporary salaries by \$34,118 for .8 on-call civil service Chef.

Recommend consolidating the midnight watch commander posts between the 6th and 7th floor jails. This midnight to 8 a.m. shift is the quietest since most inmates are asleep and the likelihood of needing the watch commander to take control of the facility is reduced. Annual savings of \$43,369 (half a Lieutenant's salary).

Total Jail #1 Savings = \$486,321

Recommendations

Department: Sheriff

Program: Custody: County Jail #2

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$7,304,993	\$6,953,285	\$6,902,916

Explanation of Differences:

Budget Analyst recommends conversion of the following posts at this jail to the new Recruit/Tech. classification. These are posts that are not primarily responsible for supervision of inmate housing units. Conversion of comparable posts have been civilianized in other California counties.

Front office posts; 5 positions converted to Sheriff's Recruit/Tech.; annual savings of \$125,610. This would leave 6 Deputy positions at this post for 24 hour a day security.

Money deputy; 1 position converted to Recruit/Tech. at an annual savings of \$25,122

Processing: 5 positions converted to Recruit/Tech. at an annual savings of \$125,610

Kitchen/laundry Supervisor: 3 positions at an annual savings of \$75,366

Budget Analyst recommends fully contracting out for food services. Currently, food services are provided by a combination of contractor and civil service personnel. Estimated savings would be approximately \$7,000 for this facility (out of \$23,600 department-wide).

Recommend consolidating the midnight watch commander posts between the 6th and 7th floor jails. This midnight to 8 a.m. shift is the quietest since most inmates are asleep and the likelihood of needing the watch commander to take control of the facility is reduced. Annual savings of \$43,369 (half a Lieutenant's salary).

Total Jail #2 Savings = \$402,077

Recommendations

Department: Sheriff

Program: Custody: County Jail #3

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$10,379,692	\$9,952,618	\$9,595,424

Explanation of Differences:

Recommend elimination of Assignment Office post (Post #9). The functions of this post - keeping track of inmates' housing and movement - can be performed by supervisors and front office staff, as is the case in other jail facilities. Estimated annual savings = \$309,025

Budget Analyst recommends converting the following posts at this jail to new Recruit/Tech. positions. These posts are not limited contact with inmates and are not primarily responsible for the supervision of inmate housing units. Comparable posts have been civilianized in other California counties.

Front office posts; 5 positions converted to Recruit/Tech. status; annual savings of \$125,610. This leaves a full-time deputy at the front desk for security.

Money deputy; 1 position at an annual savings of \$25,122

First Floor Supervision: 1 position at an annual savings of \$25,122

Kitchen/laundry Supervisors: 5 positions at an annual savings of \$125,610.

Assignment Office: 5 positions at an annual savings of \$125,610. (if above recommendation to consolidate this function with front office is not taken).

Budget Analyst recommends fully contracting out for food services. Currently, food services are provided by a combination of contractor and 3 civil service personnel. Estimated savings would be approximately \$4,800 for this facility (out of \$23,600 department-wide).

Recommend consolidating the midnight watch commander posts between the two San Bruno jails. The midnight to 8 a.m. shift is the quietest since most inmates are asleep and the likelihood of needing the watch commander to take control of both facilities is greatly reduced. Annual savings of \$43,369 (half a Lieutenant's salary).

5/9/94

Total Jail #3 Savings = \$784,268

FY 1994-95 Recommendations

Department: Sheriff.

Program: Custody Jail #5: General Hospital Ward

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$1,283,500	\$1,157,890	\$1,157,890

Explanation of Differences:

Budget Analyst recommends conversion of the following posts to Sheriff's Recruits/Techs at this facility.

Control room: 5 deputy positions assigned to this function should be converted to Recruit/Tech status. These positions cannot leave the control room and therefore have no contact with inmates. Comparable posts have been civilianized in other California counties. Annual savings = \$125,610

Total General Hospital Ward Annual Savings = \$125,610

5/9/94

Recommendations

Department: Sheriff

Program: Custody: County Jail #7

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$5,742,031	\$5,660,336	\$5,612,167

Explanation of Differences:

Budget Analyst recommends conversion of the following posts to Sheriff's Recruits/Techs at this jail. These posts are not primarily responsible for the supervision of inmate housing units. Comparable posts have been civilianized in other California counties.

Control room; 5 positions converted to Recruit/Tech. status; annual savings of \$81,695. These posts do not have direct inmate contact and have been successfully civilianized in other jurisdictions.

Budget Analyst recommends fully contracting out for food services. Currently, food services are provided by a combination of contractor and 3 civil service personnel. Estimated savings would be approximately \$4,800 for this facility (out of \$23,600 department-wide).

Recommend consolidating the midnight watch commander posts between the two San Bruno jails. The midnight to 8 a.m. shift is the quietest since most inmates are asleep and the likelihood of needing the watch commander to take control of both facilities is greatly reduced. Annual savings of \$43,369 (half a Lieutenant's salary).

Total Jail #1 Savings = \$129,864

5/9/94

Recommendations

Department: Sheriff

Program: New Jail

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$7,465,868	\$6,357,930	\$6,357,930

Explanation of Differences:

Budget Analyst recommends reductions in sworn staffing requested for new jail, based on previous recommendations pertaining to hiring Recruits/Techs to staff administrative and clerical posts at existing jails and for civilianizing sworn posts in the Administration program.

53 of the 85 requested new Deputy Sheriffs are not necessary as they can be replaced by existing Deputies who will be replaced by new Recruits/Techs. Reductions in salaries and fringes = \$646,000 (\$3,217,789 in current salaries and fringe benefits less \$2,571,189 in requested new salaries and benefits). Of the remaining 32 requested new Deputy positions, 21 could be converted to Recruits or Techs for the following posts: money; central control booths, and food/laundry. The difference in salaries and benefits would be \$223,797 (based on average salary and benefits for new Deputy of 47,340 and for Recruits/Techs of \$36,683).

Similarly, 4 of 7 new Sergeants requested could be replaced by existing staff for annual savings of \$130,788.

3 of 4 new Lieutenants requested could also be replaced by existing staff at an annual savings of \$107,353.

Total recommended reductions for new jail = \$1,107,938

5/9/94

Department:

Department of Public Health

Overview

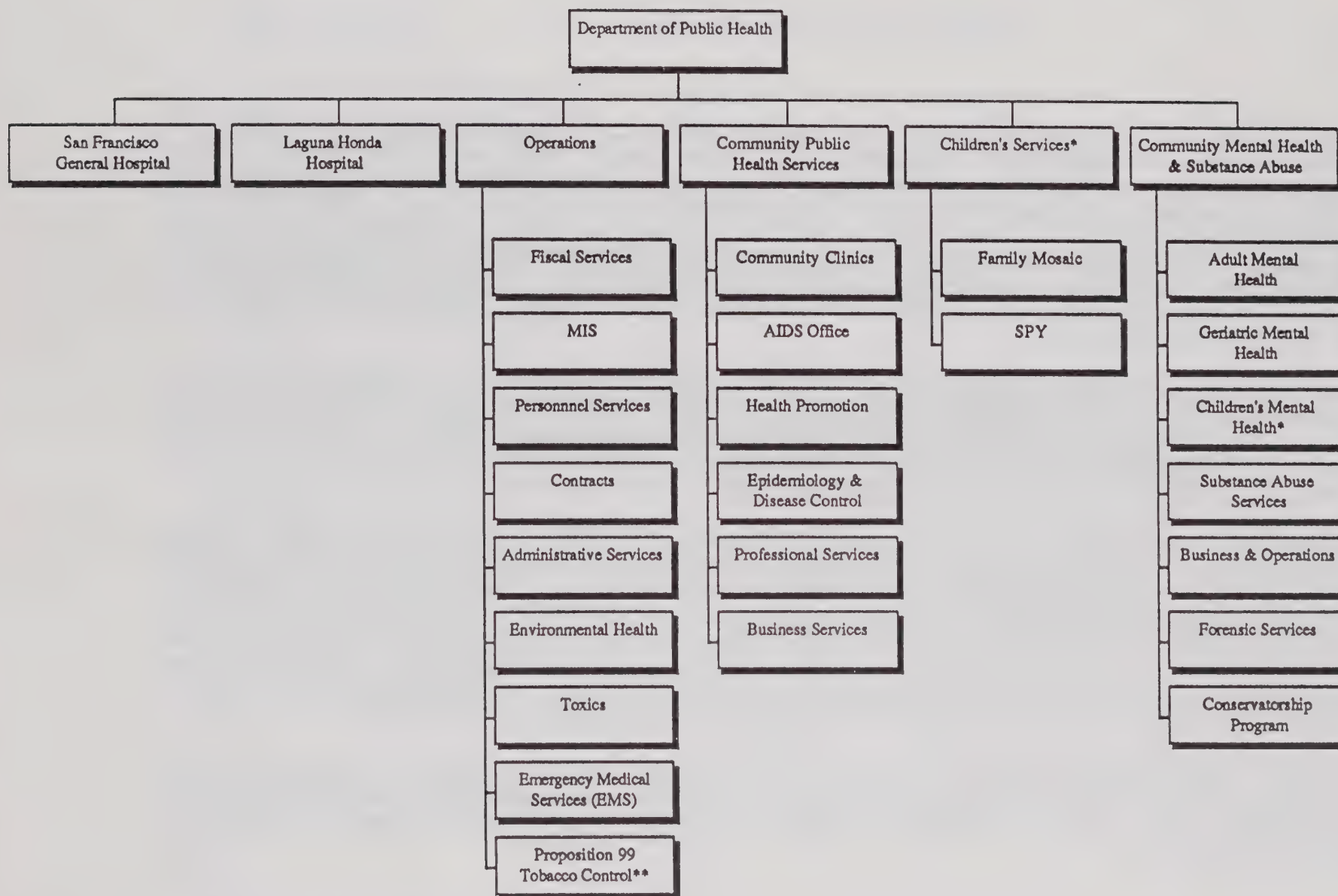
Beginning March 30, 1995, the Department of Public Health will implement a managed care system of delivering health services. Managed care is the general term for what Health Maintenance Organizations (HMO) provide: coordinated health care services that emphasize prevention. One of the primary goals of managed care is to increase utilization of primary care community services in an effort to reduce unnecessary use of costly emergency rooms for ambulatory care and eliminate preventable hospitalizations. The State plans to contract with the counties for managed care on a capitated basis, at a set dollar amount per client, per month. Capitation is a strong incentive to provide the most cost-effective services available. A capitated payment plan puts DPH at increased risk because it will agree to accept responsibility for providing services in exchange for a set payment, regardless of the amount of services that may be used by its clients.

In order to provide cost effective health care services under the State's managed care system, the DPH is re-evaluating its administrative and operating functions with the goal of streamlining processes, reducing duplication and creating a horizontally integrated delivery system for services and operations. DPH's FY 1994-95 budget includes reductions of \$5.54 million that are associated with reorganizing the Department's administrative structure and processes. None of this \$5.54 million will impact direct services.

The Department has established several working groups consisting of DPH employees who have been charged with analyzing and recommending changes in organizational structure and service delivery processes. The Department has assigned a working group for nearly every area of its operations. Each working group will make recommendations to achieve specific budget reductions to be implemented in FY 1994-95. For example, there is a working group dedicated to integrating primary care services that are currently being provided by San Francisco General Hospital and the Community Health Services Division. This Primary Care Work Group is required to make recommendations for administrative reductions totalling \$600,000 for FY 1994-95. Throughout this report, we note where the Department plans to integrate functions and the associated FY 1994-95 budget reductions.

In short, the State's managed care plan has forced DPH to re-evaluate its service delivery system to find areas where costs can be reduced or contained. The Budget Analyst commends DPH for its self-initiated efforts to reduce costs without impacting direct services. The Budget Analyst encourages all of the City's departments to engage its employees in a similar exercise.

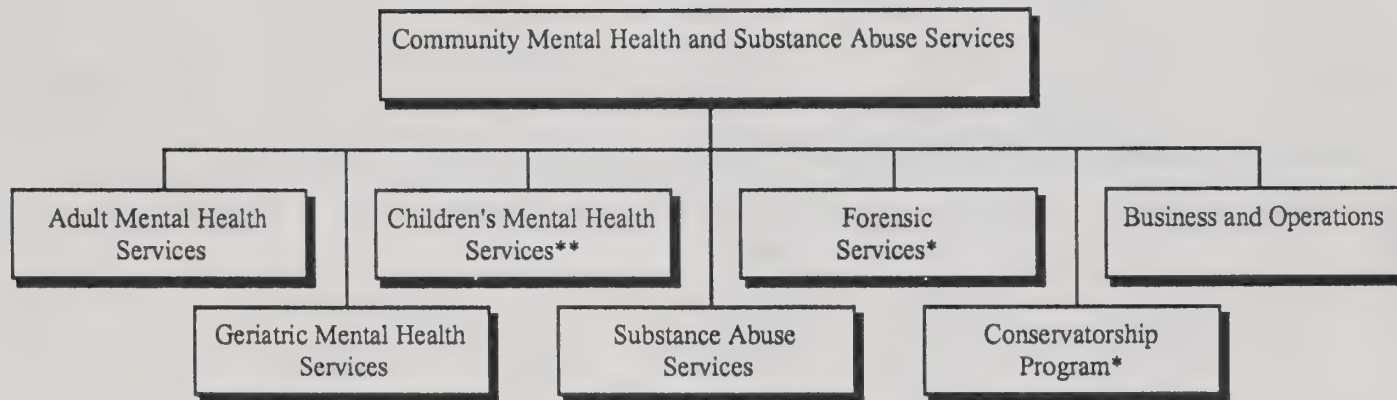
San Francisco Department of Public Health



Notes: * Because of the Proposition J baseline funding requirements, the Children's Programs were not included in the Zero Base Budget review.

** Proposition 99 is entirely funded with non-General Fund monies and was also not included in the Zero Base Budget Review.

Community Mental Health and Substance Abuse Services



* Note: Forensic Services and the Conservatorship Program are in the Community Mental Health and Substance Abuse Services budget, but are currently being managed under DPH's Operations Division. However, DPH is planning to integrate the Conservatorship Program with Mental Health's Placement Program in FY 1994-95.

** Because of the Proposition J baseline funding requirements, the Children's Programs were not included in the Zero Base Budget review.

Department Summary

Department: Department of Public Health

Division: Community Mental Health and Substance Abuse Services

Mission Statement:

Provide effective services that are community based, culturally competent, consumer-guided and meet the mental health, substance abuse and forensic health needs of San Francisco. This mission is accomplished in collaboration with other public service agencies, community-based organizations, private organizations and advisory groups.

1993-94 Budgets by Program

<u>Programs</u>	1993-94			
	FTE	Costs	Revenues	Net General Fund
Adult Mental Health	198	\$56,340,287	\$30,373,918	\$25,966,369
Geriatric Mental Health	22	8,115,428	4,148,992	3,966,436
Substance Abuse Services	55	24,112,376	19,714,792	4,397,584
Business & Operations	86	10,436,297	7,532,117	2,904,180
Children's Services	73	10,135,048	5,463,961	4,671,087
Family Mosaic Project	10	4,220,711	4,220,711	0
Forensic Services	147.5	13,539,003	658,610	12,756,894
Office of Conservatorship	14	741,086	404,010	337,076
<i>Subtotal</i>	605.5	127,640,236	72,517,111	54,999,626
Capital Improvements		\$484,301	\$275,149	\$209,152
TOTAL	605.5	\$128,124,537	\$72,792,260	\$55,208,778

Department Summary

1994-95

	1994-95 Expenditures			1994-95 Revenues		
	Department	Mayor	Budg. Analyst	Department	Mayor	Budg. Analyst
Adult Mental Health	\$54,715,439	\$54,715,439	\$53,506,012	\$25,011,028	\$25,011,028	\$25,011,028
Geriatric Mental Health	7,832,610	7,832,610	7,561,393	3,737,058	3,737,058	3,737,058
Substance Abuse Services	26,012,351	26,012,351	25,741,134	20,343,220	20,343,220	20,343,220
Business & Operations	6,634,676	6,634,676	6,634,676	1,821,097	1,821,097	1,821,097
Children's Services	13,956,759	13,956,759	13,956,759	11,299,818	11,299,818	11,299,818
Family Mosaic Project	4,220,711	4,220,711	4,220,711	4,220,711	4,220,711	4,220,711
Forensic Services	13,741,850	13,741,850	13,741,850	823,262	823,262	823,262
Office of Conservatorship	600,240	600,240	600,240	178,314	178,314	178,314
TOTAL	\$127,714,636	\$127,714,636	\$125,962,775	\$67,434,508	\$63,213,797	\$63,213,797

Fiscal Year 1994-95 Recommendations

Department: Department of Public Health

Division: Community Mental Health and Substance Abuse Services

Program: Community Mental Health Adult Services

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$54,715,439	\$54,715,439	\$53,506,012

Recommended 1994-95 General Fund Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$25,011,028	\$25,011,028	\$24,465,697

Comments:

1. Adult Mental Health Services are primarily provided by community based organizations. However, the Division has 13 City operated adult mental health outpatient programs with 182 City employees providing direct services at an annual cost of \$13,987,431 of which \$6,324,355 is General Fund monies. The Department reports that the City operated outpatient programs provide gatekeeping services to the other City operated and contractual adult mental health programs. In addition, the 13 City operated adult mental health outpatient programs provide clinical services to the more severely mentally ill clients than the clients served by the community based organizations. The Department advises that the staff at the City operated outpatient clinics have considerably more expertise and experience than the staff at the community based organizations. For these reasons, it is difficult to estimate the exact savings associated with contracting out these services without issuing a Request for Proposal (RFP). However, because the salaries of contract employees are less than those of City employees, the Budget Analyst estimates a possible savings of 10 percent by contracting those services out to community based organizations, or approximately \$1,209,427 annually. Of that, the Department would be able to reduce approximately \$545,331 annually in General Fund support. In addition the Department only reimburses its contractors for units of services provided. By contrast, City employees receive a salary regardless of the units of service provided. Thus, the City could achieve savings by contracting out adult mental health outpatient services and ensure that the City only pays for units of mental health service provided without reducing the level of service. The Budget Analyst recommends that the Department contract out City operated adult mental health outpatient programs. However, the Department advises that there could be liability issues involved if all of Mental Health's outpatient services were contracted out. These possible liability issues should be addressed before deciding to contract out these services.

2. DPH is proposing to eliminate the Offender Programs at the Center for Special Problems which would result in a savings of \$800,000. Specifically, the Department is proposing to eliminate 9.5 FTE positions, one of which is vacant, and reduce operating expenses. Offender services are psychiatric treatment and case management services provided to assaultive and violent mentally ill offenders who are Court ordered to receive treatment and to adults who sexually abuse children. While Offender services are provided as a result of a Court order as a condition of parole or as an alternative to incarceration, the Department believes that these crime-related services are above and beyond its core service requirements as well as its financial capability. According to the Mental Health Division, there is no other organization in the City that provides Offender Programs. Thus, if the Department eliminates the Offender Programs there is no immediate alternative program to which the Court can send mentally ill offenders.

Fiscal Year 1994-95 Recommendations

3. DPH is also proposing to reduce a total of 11 beds at Napa State Hospital (from 97 to 87 beds) for an approximate annual savings of \$1 million. Of that, Adult Services will reduce approximately seven beds at approximate annual savings of \$670,000. Four of the 10 beds are already vacant. The Department intends to transition the remaining seven patients to community programs. Reducing beds at Napa State Hospital is consistent with the Department's program priorities. As previously described, the Department ranks acute care last after outpatient and residential treatment services. Hospitalizing a mentally ill client in Napa State Hospital is an expensive form of treatment available to the Department. To reduce its costs, the Department has placed more of its resources into community based programs that help stabilize mentally ill clients in the community at a much lower cost than to place clients in acute and institutional care.

4. Administrative responsibilities of Physicians will be reduced which will save the Department \$100,000 annually.

5. As part of the Department's reorganization, the Conservator's Office, which is currently administered by the Community Public Health Division, will be integrated with the Mental Health Services' Placement Office. The objective is to streamline case management and placement of conserved clients into and from the State Hospital and other mental health programs. Bringing the Conservator's Office into the Mental Health Division allows the Department to bill MediCal and SB 910 revenues for some of the Conservator's Office's functions. The Department has included \$300,000 in new revenues which would be achieved as a result of this consolidation. According to the Department, there will not be any staffing reductions resulting from this organizational consolidation because all of the supervisory and administrative staff in both programs provide direct client services.

Total Recommended General Fund Reductions in Mental Health Adult Services: \$545,331

Department: Department of Public Health
Division: Community Mental Health and Substance Abuse Services
Program: Community Mental Health Adult Services

Policy Options for 1994-95

Reduce General Fund Overmatch by Up To \$16.1 Million

In order to receive State funding such as Realignment monies and Short-Doyle MediCal match, the City must maintain a Minimum Level of Effort (MOE). Maintaining a MOE means the City is required to spend a certain amount of General Fund monies on mental health programs to receive State funding. Excluding Children's Services, the City is required to spend approximately \$12.3 million in General Fund monies on mental health programs to receive approximately \$70 million in State funding. Historically, the City has provided overmatch funds for mental health services in order to augment the State's funding. In FY 1993-94 the City included \$28.4 million in General Fund monies to fund mental health programs, or approximately \$16.1 million more than what the State requires. Because the City is not required to provide an overmatch for mental health services, the City could reduce funding for mental health services for adult and geriatric mental health services by up to \$16.1 million.

Fiscal Year 1994-95 Recommendations

Department: Department of Public Health

Division: Community Mental Health and Substance Abuse Services

Program: Geriatric Mental Health Services

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$7,832,610	\$7,832,610	\$7,561,393

Recommended 1994-95 General Fund Level:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$3,737,058	\$3,737,058	\$3,639,616

Comment:

Contract out Geriatric Mental Health Services to Non-profit Organizations for a General Fund Savings of \$97,442. Geriatric Mental Health Services has two outpatient programs that are directly managed by the Department. These three programs are staffed with 20 City employees at an annual cost of \$2,712,168, of which \$974,417 is funded through the General Fund. The Department reports that the City operated outpatient programs provide gatekeeping services to the other City operated and contractual geriatric mental health programs. In addition, the City operated geriatric mental health outpatient programs provide clinical services to the more severely mentally ill clients than the clients served by the community based organizations. For these reasons, it is difficult to estimate the exact savings associated with contracting out these services without issuing a Request for Proposal (RFP). However, because the salaries of contract employees are less than those of City employees, the Budget Analyst assumes a possible savings of 10 percent by contracting those services out to community based organizations, or approximately \$271,217 annually. Of that, the Department would be able to reduce approximately \$97,442 annually in General Fund support. In addition the Department only reimburses its contractors for units of services provided. By contrast, City employees receive a salary regardless of the units of service provided. Thus, the City could achieve savings by contracting out geriatric mental health outpatient services and ensure that the City only pays for units of mental health service provided without reducing the level of service. The Budget Analyst recommends that the Department contract out City operated geriatric mental health outpatient programs.

5/8/94

Fiscal Year 1994-95 Recommendations

Department: Department of Public Health

Division: Community Mental Health and Substance Abuse Services

Program: Business and Operations

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$6,634,676	\$6,634,676	\$6,634,676

Recommended 1994-95 General Fund Level:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$1,821,097	\$1,821,097	\$1,821,097

Comment:

The Business and Operations Division is reorganizing to better integrate the Mental Health and Substance Abuse administrative services. The Department has included \$150,000 in its FY 1994-95 budget in reduced General Fund support which will be achieved through increased billings of management functions which are now reimbursable under Medi-Cal.

Fiscal Year 1994-95 Recommendations

Department: Department of Public Health

Division: Community Mental Health and Substance Abuse Services

Program: Forensics

Recommended 1994-95 Funding Levels (All General Fund Supported):

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$13,558,755	\$13,558,755	\$13,558,755

Comments:

1. In FY 1993-94, the Department decided to fund all of Forensic Services with General Fund monies, instead of using both General Fund and State Realignment funds. The Department's decision does not impact the total General Fund allocation to the Department of Public Health. The State Realignment funding of \$2,702,836 that otherwise would have funded Forensic Services in FY 1994-95, will be transferred to other Department of Public Health Programs and an equivalent amount of General Fund monies will be transferred from the other Department of Public Health Programs to Forensic Services. According to Ms. Monique Zmuda of the Community Mental Health Division, funding Forensic Services entirely with General Fund monies reflects the State mandate that counties are solely responsible for providing medical services in the county jails. Thus, Ms. Zmuda advises, the City's General Fund should fund all of Forensic Services.

2. Forensic Nurses currently work four 10-hour shifts instead of five 8-hour shifts. While there were clinical and recruitment reasons for creating these ten hour shifts, they have caused overlaps in nursing shifts which the Department estimates creates inefficiencies that cost the Department approximately \$686,168 annually. The Department estimates that approximately 14 nursing positions could be eliminated if the MOU were renegotiated to allow nurses to work 8 hour shifts instead of 10 hour shifts. In fact, the Department included these savings in its FY 1993-94 budget and has included these savings in its FY 1994-95 budget. Because the City was unable to negotiate the 8-hour nursing shifts for FY 1993-94, the Mental Health Division has absorbed the \$686,168 shortfall with surplus funds. The Mental Health Division cannot provide a similar subsidy in FY 1994-95. Thus, the Budget Analyst recommends that the City negotiate the Forensic Nurses MOU to allow nurses to work 8-hour shifts instead of 10-hour shifts. It should be noted that the City is currently negotiating with the Forensic Nurses to work 8-hour shifts instead of 10-hour shifts.

Department: Department of Public Health
Division: Community Mental Health and Substance Abuse Services
Program: Forensics

Policy Options for 1994-95

Contract out Forensics Medical Services. Estimated Minimum Savings = \$1 million

Forensics Medical Services are currently provided by City employees at an annual cost of approximately \$10.9 million. In FY 1994-95, the City's General Fund will pay all of these costs. These services could be contracted out to a private medical services provider. Without issuing a RFP, it is difficult to determine what the actual savings would be if Forensic Medical Services were contracted out. However, assuming a possible reduction in costs of 10 percent, the City could save approximately \$1 million annually by contracting out Forensic Medical Services.

Fiscal Year 1994-95 Recommendations

Department: Department of Public Health

Division: Community Mental Health and Substance Abuse Services

Program: Substance Abuse Services

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$15,919,700	\$15,919,700	\$15,743,251

Recommended 1994-95 General Fund Level:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$4,404,536	\$4,404,536	\$4,357,953

Comment:

1. Substance Abuse Services has one program, the Tom Smith Residential Treatment Center, that is directly managed by the Department. The Tom Smith Residential Center is staffed with 18 City employees and has an annual budget of \$1,764,492, of which \$465,964 is General Fund monies. In FY 1993-94, the Tom Smith Center is expected to provide 7,228 units of service. (One unit of service is a 24 hour day per client served) The cost per unit of service at the Tom Smith Residential Treatment Center is approximately \$244 (\$1,764,492/ 7,228). Substance Abuse Services has contracts with four community based organizations that also provide residential treatment services.

However, the cost per 24 hour day per client is between \$43.83 to \$70.59, or approximately \$200 to \$173 less than the cost per 24 hour day per client at the Tom Smith Residential Treatment Center. Thus, if the Department were to contract out the services that are currently being provided by the Tom Smith Residential Treatment Center, the total savings would be between \$1,254,267 and \$1,447,689. The General Fund savings would be between \$331,200 and \$382,293. However, Mr. Wayne Clark, Director of the Substance Abuse Program reports that the services provided by the Tom Smith Residential Treatment Center are more intensive and require more expertise than those provided by the four community based organizations. As such, Mr. Clark advises, the cost per unit of services is more expensive at the Tom Smith Residential Treatment Center than at the four community based organizations. Nonetheless, because of the difference between City salaries and the salaries of non-profit agencies, the City should be able to realize savings by contracting out the services that are currently being provided by the Tom Smith Residential Treatment Center. Assuming a possible savings of ten percent, the total savings would be approximately \$176,449, of which \$46,583 is General Fund monies.

Fiscal Year 1994-95 Recommendations

Department: Department of Public Health

Division: Community Mental Health and Substance Abuse Services

Program: Substance Abuse Services

2. The Department is proposing to reduce the General Fund allocation for Substance Abuse services by \$405,000. To achieve these savings without impacting services, the Department plans to reduce operating expenditures by \$75,000, reduce the Medical Director position from 0.5 FTE to 0.25 FTE, and delete two administrative positions for a savings of \$130,000. Finally, the Department will substitute staff positions in substance abuse programs with mental health/dual diagnosis specialists which will allow the Department to bill MediCal approximately \$200,000 in FY 194-95 for these services.

3. In FY 1993-94, the Department received a one-time \$3.2 million grant from the Federal Asset Forfeit Seizure Fund for substance abuse treatment services. This grant replaced a previous Waiting List Grant. The Asset Forfeit Seizure grant will expire on June 30, 1994. Although the Department is trying to secure new grant funds, as of the writing of this report, no replacement grant has been identified. As such, the Department is planning to eliminate substance abuse services that are being provided by community based organizations for 841 substance abuse clients.

Fiscal Year 1994-95 Recommendations

Department: Department of Public Health

Division: Community Mental Health and Substance Abuse Services

Program: Office of Conservatorship Services

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$600,240	\$600,240	\$600,240

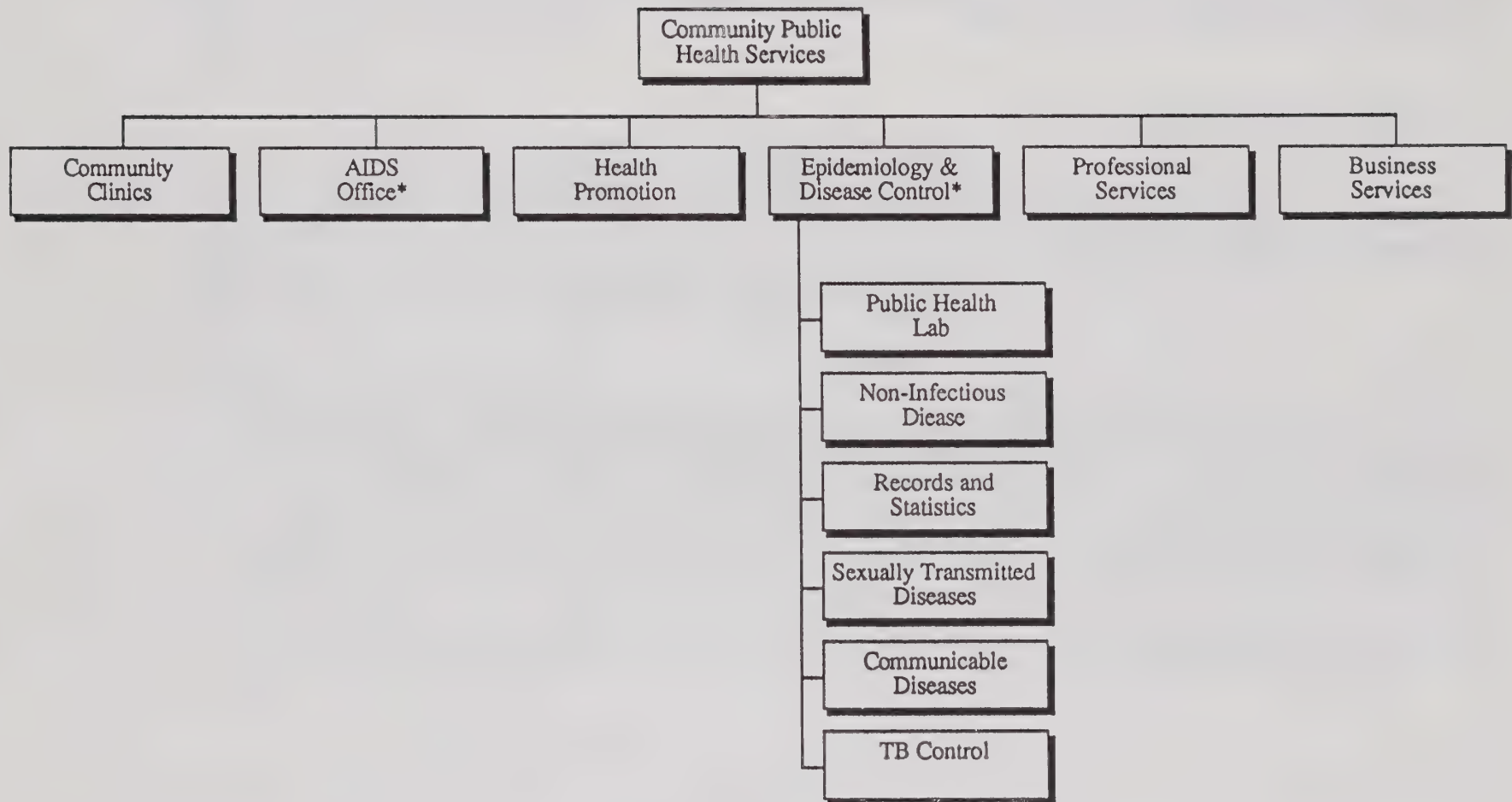
Recommended 1994-95 General Fund Level:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$178,314	\$178,314	\$178,314

Comments:

1. As part of the Department's reorganization, the Conservator's Office, which is currently administered by the Community Public Health Division, will be integrated with the Mental Health Services' Placement Office. The objective is to streamline case management and placement of conserved clients into and from the State Hospital and other mental health programs. Bringing the Conservator's Office into the Mental Health Division allows the Department to bill MediCal and SB 910 revenues for some of the Conservator's Office's functions. The Department has included \$300,000 in new revenues which would be achieved as a result of this consolidation. According to the Department, there will not be any staffing reductions resulting from this organizational consolidation because all of the supervisory and administrative staff in both programs provide direct client services.
2. The total General Fund support of the Office of Conservatorship Services for FY 1994-95 has been reduced by \$158,762, which will be offset by the revenues described above.

Department of Public Health -- Community
Public Health Services Division



* Will be consolidated in FY 1994-95 with annual administrative savings of \$290,000.

Department Summary

Department: Department of Public Health
Division: Community Public Health Services

Mission Statement:

- Provide primary care and public health services to individuals at high risk for infectious and chronic illness, HIV disease, pregnant women, the elderly and children.
- Design and advocate policies, plans, standards, and programs to prevent or remediate conditions that threaten the public's health.

1993-94 Budgets by Program

	1993-94			
	FTE	Costs	Revenues	Net General Fund
Primary Care Services	426	\$27,969,506	9,601,168	18,368,338
Epidemiology and Disease Control	72.9	10,890,095	5,224,444	5,665,651
AIDS Office	90.95	44,588,951	34,625,912	9,963,039
<i>Subtotal</i>	163.9	\$55,479,046	\$39,850,356	\$15,628,690
Capital Improvements		\$51,964	\$37,326	\$14,638
TOTAL	163.9	\$55,531,010	\$39,887,682	\$15,643,328

1994-95

	1994-95 Expenditures			1994-95 Revenues		
	Department	Mayor	Budg. Analyst	Department	Mayor	Budg. Analyst
Primary Care Services	\$29,914,357	\$29,914,357	\$29,914,352	\$16,328,004	\$16,328,004	\$16,328,004
Epidemiology and Disease Control	11,056,306	11,056,306	11,056,306	5,500,596	5,500,596	5,500,596
AIDS Office	43,415,968	43,415,968	43,415,968	34,606,600	34,606,600	34,606,600
TOTAL	\$84,386,631	\$84,386,631	\$84,386,626	\$56,435,200	\$56,435,200	\$56,435,200

Department: Department of Public Health
Division: Community Public Health Services
Program: Primary Care Services

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$29,914,352	\$29,914,352	\$29,914,352

Recommended 1994-95 General Fund Level:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$13,586,353	\$13,586,353	\$13,586,353

Comments:

1. As part of the Department's reorganization, the primary care services at San Francisco General Hospital and the district health centers will be integrated. The Department's FY 1994-95 budget includes savings of \$600,523 which will be achieved as a result of this integration by eliminating 8.0 FTE administrative positions, six of which are filled and two of which are vacant. In addition, the Department increased salary savings for these two divisions by \$187,597. The Budget Analyst supports the Department's decision to integrate SFGH's primary care services with the district health centers. In addition, the Department is planning to delete a 0.5 FTE vacant Medical Director position in CPHS and reduce a 1.0 FTE filled Public Health Nurse position to 0.8 FTE at the request of the incumbent for a total savings of \$67,922.

2. Seven of the nine health centers have recently applied for and received Federally Qualified Health Center (FQHC) status (currently the Tom Wadell and North of Market Senior Services have FQHC status). Under FQHC, the Department will receive cost-based reimbursements for MediCal and Medicare services. The Department has included \$4.5 million in FQHC funding for FY 1994-95.

Department: Department of Public Health
Division: Community Public Health Services
Program: Epidemiology and Disease Control

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$11,056,306	\$11,056,306	\$11,056,306

Recommended 1994-95 General Fund Level:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$5,555,710	\$5,555,710	\$5,555,710

Comments:

1. As part of the Department's reorganization, the AIDS Office and the Bureau of Epidemiology and Disease Control will be consolidated into a single administrative entity, while retaining the essential functions and organizational subdivisions of each. The objectives of this consolidation are to; 1) generate revenues, 2) achieve efficiencies by merging the two administrative structures into a single one without impacting the level of services, and 3) reduce the amount of time physicians spend on administrative duties. The Department plans to eliminate 5.5 FTE administrative positions, five of which are filled and one of which is vacant, and add one Health Worker IV, for a net salary and fringe benefit savings of \$290,253. The Budget Analyst concurs with the Departments plan to integrate the AIDS Office and the Bureau of Epidemiology and Disease Control into a single administrative entity.

2. In addition, the Department has included \$112,502 in additional MediCal revenues at the City Clinic and TB Clinic that are based on the number of visits and reimbursement rates for current clients at these clinic sites.

Department: Department of Public Health
Division: Community Public Health Services
Program: AIDS Office (non-Children's Services)

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$43,415,968	\$43,415,968	\$43,415,968

Recommended 1994-95 General Fund Level:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$8,809,368	\$8,809,368	\$8,809,368

Comments:

1. As part of the Department's reorganization, the AIDS Office and the Bureau of Epidemiology and Disease Control will be consolidated into a single administrative entity, while retaining the essential functions and organizational subdivisions of each. The objectives of this consolidation are to; 1) generate revenues, 2) achieve efficiencies by merging the two administrative structures into a single one without impacting the level of services, and 3) reduce the amount of time physicians spend on administrative duties. The Department plans to eliminate 5.5 FTE administrative positions, five of which are filled and one of which is vacant, and add one Health Worker IV, for a net salary and fringe benefit savings of \$290,253. The Budget Analyst concurs with the Departments plan to integrate the AIDS Office and the Bureau of Epidemiology and Disease Control into a single administrative entity.

2. The Department is also proposing to reduce General Fund support totaling \$220,000 for non-core and non-direct AIDS health services provided by Community Based Organizations. The Department intends to reduce the following AIDS services:

- Discontinue General Fund support of Project Open Hand's Food Bank Program by \$156,750 which will reduce support for 6,945 food bank visits by 310 clients with HIV.
- Discontinue General Fund support by \$27,170 for 12 issues of an HIV newsletter.
- Reduce General Fund support by \$36,080 for 500 hours of caregiver training to 100 clients.

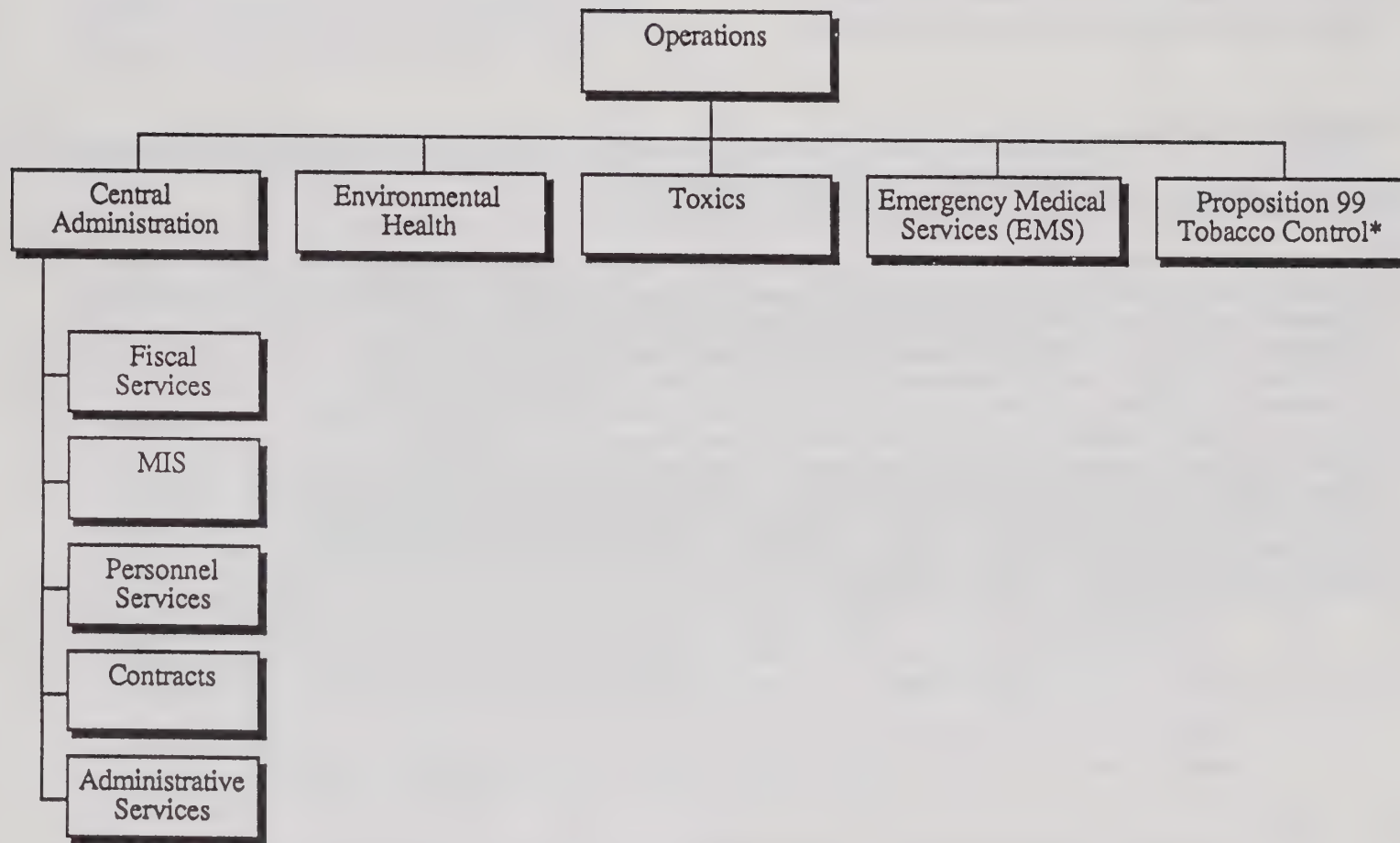
Department: Department of Public Health
Division: Community Public Health Services
Program: AIDS Office (non-Children's Services)

Policy Options for 1994-95

Reduce General Fund Overmatch by Up to \$2,334,581

To receive State and Federal grant monies for AIDS programs, the City is required to maintain a certain level of General Fund support for AIDS health services or a Maintenance of Effort (MOE). This MOE includes AIDS related health services provided by San Francisco General Hospital, Laguna Honda Hospital, the District Health Centers, the Division of Community Mental Health and Substance Abuse Services and the AIDS Office. In FY 1993-94, the City's maintenance of effort for AIDS health services supported by the General Fund is \$31,165,960. Of that amount, the City is required to allocate \$6,468,319 to the AIDS Office. Historically, the City has provided overmatch funds for AIDS programs to augment State and Federal monies for AIDS health services. In FY 1993-94, the General Fund allocation to the AIDS Office (non-Children's Services) was \$9,963,039 or \$3,494,720 more than the MOE. In FY 1994-95, the Department has included \$8,809,368 to the AIDS Office (non-Children's Services), which is \$2,334,581 more than the MOE. Thus, the City could reduce funding for AIDS programs in FY 1993-94 by up to \$2,334,581 and continue to meet the City's MOE to receive State and Federal grant monies.

San Francisco Department of Public
Health - Operations Division



* Proposition 99 is entirely funded with non-General Fund monies and was therefore not included in the Zero Base Budget Review.

Note: The Office of Conservatorship and Forensics Services are organizationally under the Operations Division but are included in the Mental Health Division's budget. Thus, these two divisions are included in the Mental Health Division's Zero Base Budget Review.

Department Summary

Department: Department of Public Health

Division: Operations

Mission Statement:

- To prevent disease, promote health, document infectious diseases and prolong life within the community of San Francisco.
- Provide executive leadership and administrative oversight of the Department of Public Health
- Provide operational support to other DPH divisions

1993-94 Budgets by Program

Mayor's Budget Programs	1993-94			
	FTE	Costs	Revenues	Net General Fund
Central Administration	89	\$79,862,459	\$75,026,873	\$4,835,586
Emergency Medical Services	5.75	477,426	15,182	462,244
Environmental Health	61	4,194,680	4,121,280	73,400
Toxics	55	3,793,797	2,148,052	1,645,745
<i>Subtotal</i>	211	\$88,328,362	\$81,311,387	\$7,016,975
Capital Improvements		\$615,685	\$566,774	\$48,911
TOTAL	211	\$88,944,047	\$81,878,161	\$7,065,886

1994-95

	1994-95 Expenditures			1994-95 Revenues		
	Department	Mayor	Budg. Analyst	Department	Mayor	Budg. Analyst
Central Administration	\$69,140,143	\$69,140,143	\$69,140,143	\$61,411,609	\$61,411,609	\$61,411,609
Emergency Medical Services	448,347	448,347	448,347	136,261	136,261	136,261
Environmental Health	4,223,505	4,223,505	4,223,505	4,195,475	4,195,475	4,195,475
Toxics	3,748,342	3,748,342	3,748,342	2,032,503	2,032,503	2,032,503
TOTAL	\$77,560,337	\$77,560,337	\$77,560,337	\$67,775,848	\$67,775,848	\$67,775,848

Department: Department of Public Health
Division: Operations
Program: Central Administration

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$69,140,143	\$69,140,143	\$69,140,143

Recommended 1994-95 General Fund:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$7,728,534	\$7,728,534	\$7,728,534

Comments:

1. As part of its Departmental reorganization, a working group is evaluating the Department's decentralized and centralized administrative functions such as accounting services to identify duplicative services and to recommend alternative methods for providing administrative support services at a reduced cost. The Department will also be evaluating how administrative support services may be reduced as a result of service integration. However, unlike the Department's other reorganization working groups, the administrative working group does not have a target budget reduction for FY 1994-95. Dr. Larry Meredith, the Deputy Director of Business and Operations, reports that any recommended administrative reductions would be incorporated in the Department's FY 1994-95 budget during the course of the fiscal year and/or include them in the Department's FY 1995-96 budget.

2. There are 7.0 FTE in the Executive Office of the Department of Public Health. Of those 7.0 FTE, there are 3.0 FTE Executive Secretary positions; one Executive Secretary position reports to the Deputy Director of Business and Operations and the remaining two Executive Secretary positions report to the Executive Director. In addition, there is a 1.0 FTE Executive Assistant to the Director position and a Public Information Officer for a total of four clerical, administrative, and analytical support positions reporting directly to the Executive Director of DPH. The Executive Assistant position has an annual salary of \$75,429. According to the Executive Director, this Executive Assistant position performs a variety of administrative, research and analytical functions for the Director that are sensitive, confidential, and complex in nature. However, the responsibilities of the Executive Assistant do not include managing a program or supervising staff. The Budget Analyst believes that a position with an annual salary of \$75,429 should have program management and staff supervision responsibilities. The duties described for the Executive Assistant position are more consistent with those of a Special Assistant position with an average annual salary of approximately \$60,000 or \$15,429 less than the Executive Assistant position. While the scope of this review did not include a comprehensive analysis of the responsibilities and salaries of the DPH's staff, the Budget Analyst believes that the study requested by the Board of Supervisors to review positions with salaries of \$70,000 and above should determine whether positions in the DPH should be reclassified to lower paid positions. In addition, we recommend that the Department consider reclassifying the Executive Assistant position to a Special Assistant position either in FY 1994-95 or when the position becomes vacant.

Department: Department of Public Health

Division: Operations

Program: Central Administration

3. The Community Health Services' Administrative Division currently has 24 clerical positions or approximately 15.6 percent of its total 154 positions. Each Division manager is assigned one clerical position. According to Dr. Meredith, the reasons for this relatively high level of clerical staffing are; 1) 101 Grove Street does not have voice mail, and 2) many of the Department's professional staff do not have a personal computer. Towards the end of FY 1994-95, the 101 Grove building will undergo seismic upgrading which means the Health Department will vacate the 101 Grove building and be relocated. As a result, the Department would rather wait until it moves back to 101 Grove during FY 1995-96 to install a voice mail system. Meanwhile, the Department's professional staff should, within the next year or two, have a personal computer. Thus, the Budget Analyst recommends that when the Department installs voice mail at 101 Grove and purchases more computers for its professional staff, that the Department evaluate its clerical staffing requirements and reduce its clerical staffing accordingly.

Department: Department of Public Health
Division: Operations
Program: Emergency Medical Services (EMS)

Recommended 1994-95 Funding Levels:

	Department	Mayor's Office	Budget Analyst
	\$448,347	\$448,347	\$448,347

Recommended 1994-95 General Fund Funding Levels:

	Department	Mayor's Office	Budget Analyst
	\$312,086	\$312,086	\$312,086

Comment:

For FY 1994-95 the EMS Division is planning to reduce its FTE by 0.45, from 5.75 FTE to 5.30 FTE, for a savings of \$25,194, as follows:

2533 EMS Specialist reduced by 0.2 FTE.

1819 MIS Specialist II eliminated (reduction of 0.25 FTE)

According to MS. Abby Yant of the EMS, this FTE reduction will result in:

- Reduction of the pediatric hospital program
- Delay in the revision to some EMS system policies, resulting in diminished EMS capabilities.
- Elimination of hospital site surveys to assure compliance with Receiving Hospital Standards.
- Elimination of the Trauma Center site survey (last done 4 years ago).

The elimination of the 1819 MIS Specialist will be supplanted by the grant funded 1811 MIS position hired in March of 1994.

Department: Department of Public Health
Division: Operations
Program: Environmental Health

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$4,223,505	\$4,223,505	\$4,223,505

Recommended 1994-95 General Fund Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$28,030	\$28,030	\$28,030

Comments:

As part of the Department's reorganization plan, the Toxics and Environmental Health Divisions will be integrated into one division. The Department has reduced its FY 1994-95 budget by \$300,000 to reflect administrative reductions that will be made as a result of this consolidation. The Department is proposing to eliminate 6.0 FTE administrative positions from the Toxics and Environmental Health Divisions and create one Director of Environmental Health Management, for a total of 5.0 FTE positions eliminated at a total annual savings of \$263,334. In addition, in FY 1994-95, the Department reduced the Toxics and Environmental Health Divisions' materials and supplies and contractual services accounts by \$36,666. The Budget Analyst concurs with the Department's decision to consolidate the Toxics and Environmental Health Divisions.

Department: Department of Public Health
Division: Operations
Program: Toxics

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$3,813,813	\$3,813,813	\$3,813,813

Recommended 1994-95 General Fund Level:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$1,715,839	\$1,715,839	\$1,715,839

Comment:

1. As part of the Department's reorganization plan, the Toxics and Environmental Health Divisions will be integrated into one division. The Department has reduced its FY 1994-95 budget by \$300,000 to reflect administrative reductions that will be made as a result of this consolidation. The Department is proposing to eliminate 6.0 FTE administrative positions from the Toxics and Environmental Health Divisions and create one Director of Environmental Health Management, for a total of 5.0 FTE positions eliminated at a total annual savings of \$263,334. In addition, in FY 1994-95, the Department reduced the Toxics and Environmental Health Divisions' materials and supplies and contractual services accounts by \$36,666. The Budget Analyst concurs with the Department's decision to consolidate the Toxics and Environmental Health Divisions.

2. The Department included \$200,000 in new fees for medical waste programs which is based on a projected increased volume of work.

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Department: Department of Public Health

Division: Operations

Program: Toxics

Policy Options for 1994-95

The Toxics Division's programs are all mandated under State and Local law. Reducing programmatic expenditures in the Toxics Division would require amendments to the City's Administrative Code. Such amendments would include repealing the City's Video Display Terminal (VDT) ordinance which could save approximately \$67,267 annually in General Fund monies, or repealing the City's lead prevention ordinance at an approximate annual savings of \$186,646 in General Fund monies. However, there could be incalculable costs to the City if these ordinances are repealed. For example, the City's VDT ordinance is designed to prevent work-related injuries that can result in Workers Compensation claims. The City's VDT ordinance requires compliance from both City departments and private employers. The City could be reducing its Workers Compensation claims as a result of the VDT ordinance. Thus, it may not be in the City's best financial interests to repeal the VDT ordinance. In addition, the Toxics Division provides training, consultation and equipment approval; services that will be needed even if the VDT ordinance is repealed as the Cal-OSHA Ergonomics Hazard Regulation will most likely become effective in the next year.

In sum, prior to repealing any of the City's ordinances affecting the Toxics Division, the Board of Supervisors should consider the negative ramifications.

**Department: San Francisco General Hospital
Program:**

Overview

The FY 1993-94 San Francisco General Hospital (SFGH) budget, as amended during the fiscal year, amounts to \$254,651,025 and includes \$31,624,551 of General Fund support. This budget was predicated on an average daily inpatient census of 284 patients which was significantly down from an average daily census of 326 in FY 1992-93. In addition, the FY 1993-94 budget funded a third intensive care unit designed to alleviate the persistent need to divert critical patients to other hospitals.

As the City's only level one trauma center, SFGH is responsible for the treatment of all critically ill or injured emergency admissions. Prior to FY 1993-94, SFGH was frequently required to divert such patients to other hospitals due to the unavailability of staffed intensive care beds. During FY 1992-93 the monthly diversion rate reportedly reached as high 30 percent. As a result of the funding of the third intensive care unit, the diversion of patients has virtually been eliminated and when it has occurred it was due to the unavailability of trained intensive care nurses, not a lack of funding.

The Mayor's proposed FY 1994-95 budget amounts to \$254,930,000 and includes \$23,370,000 of General Fund support. This budget is based on an average daily inpatient census of 274 patients. It continues to fund a third intensive care unit, and for FY 1994-95 provides some new services which are projected to be self supporting and some increased services.

The new services include medical services at San Francisco International Airport, which was previously provided by a private physician under contract, and a cooperative program between the Department of Social Services and the Hospital entitled the SSI Advocacy Program. This program brings together Social Services and Hospital staff to assist many social service clients who are also hospital patients and need the assistance of technical and professional staff to successfully apply for federal supplemental security income (SSI). The City is reimbursed for all aid paid to General Assistance clients as well as hospital services provided to such clients from the date of application when clients are approved for SSI.

The FY 1994-95 budget also provides increased funding for emergency paramedic services in the amount of \$1,430,000 to improve response time from the current level of 12 minutes to a level of 10 minutes. This will be accomplished by the addition of three new ambulances and crews. Because the proposed budget for FY 1994-95 incorporates the changes described above as well as significant organizational restructuring, the following organizational chart depicts the current organizational placement of each of the Hospital's major activities within its organization.

As a result of the detailed review of the Hospital's FY 1994-95 proposed budget, certain issues pertaining to potential increased revenues and reduced expenditures were identified and are described below. The issues have been reviewed with Hospital Administration who concur with the recommendations pertaining to department expenditures and revenues. The Hospital Administration reports that the expenditure savings and increased revenues have been applied towards reducing the amount of SFGH General Fund support from \$31.6 million in FY 1993-94 to \$23.4 million in FY 1994-95.

Department: San Francisco General Hospital
Program: Med/Surg/Obstetrics

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$166,019,858	\$166,019,958	\$166,019,858

Explanation of Differences:

• Intensive Care Staffing:

The FY 1994-95 budget for intensive care provides for an average daily census of 23 and a total of 176,295 productive nursing hours. By comparison, the FY 1993-94 budget funded an average census of 28 and, through March, the actual census for FY 1993-94 was 17.4. Total productive hours for FY 1993-94 are estimated to amount to 150,469, averaging 23.46 productive hours per patient day including standby nursing hours. As a result of the significant variance between the budgeted and actual census, the intensive care units will save an estimated \$1.4 million in FY 1993-94. Attachment 1 shows that a budgeted census of 20 beds supplemented by 48 hours of standby nursing staff daily, would provide an increase of over 20,000 ICU nursing hours in FY 1994-95 and would cost approximately \$170,000 less than currently budgeted. The determination of this staffing level was based on a detailed analysis of the productive and nonproductive hours worked by each of the over 100 nurses who staff the three intensive care units.

5/9/94

FY 1994-95 Recommendations

Department: San Francisco General Hospital
Program: Psychiatry/Substance Abuse

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$30,751,444	\$30,751,444	\$30,751,444

Explanation of Differences:

• Unit 7L Staffing:

Unit 7L was budgeted based on 72 hours of nursing staff daily for FY 1994-95, however, the current actual nursing staffing pattern is 3-3-2 on each of the eight hour shifts. The revision of the FY 1994-95 budget to correspond to actual required staffing would result in a reduction of approximately \$137,748 in nurse staffing costs.

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Department: San Francisco General Hospital
 Program: Med/Surg/DBS

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$166,019,858	\$166,019,858	\$166,019,858

Explanation of Differences:

- Nursing Model Annual FTE Computation:

The nursing model used to develop the FY 1994-95 budget was based on 2,080 hours per full-time equivalent position. The correct number of paid hours per full-time position in FY 1994-95 is 2,088. The revision of this value would result in a reduced staffing requirement of approximately 1.8 positions and a cost savings of approximately \$149,972.

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Department: San Francisco General Hospital
Program: All

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$254,927,885	\$254,927,885	\$254,927,885

Explanation of Differences:

- Retroactive Billing of Medi-Cal for Medically Indigent Adults Subsequently Approved for SSI

The Department of Social Services provided data on general assistance clients approved for SSI during the six months from September 1993 through February 1994. This list included a six month total of 1,042 names which averaged 150 unduplicated names per month. Based on a sample of 50 names, it was determined that 66 percent had received services at SFGH, 52 percent were identified as medically indigent adults (MIA) patients and 38 percent were MIA patients who had received services during the period of retroactive eligibility. The average period of retroactive eligibility was 15 months. The average patient had 6.5 visits with total charges of \$2,677. On an annual basis this equates to \$1,831,140 in charges that can now be retroactively billed to Medi-Cal.

SFGH Patient Accounts staff have analyzed these accounts to provide an estimate of the annual and one-time revenue from this source. Based on a conservative assumption that all charges will be reimbursed at an estimated outpatient rate of 35 percent, it is projected that the Hospital will realize \$640,899 in annual ongoing revenue from this source. In addition, the Hospital can claim one-time revenue based on prior SSI approvals for clients who received services that have not been billed.

The Social Services Department is researching its records to determine how far back it has data on General Assistance clients who were approved for SSI. Records for at least the last two years reportedly should be readily available. Assuming such information is available back to January of 1990, the estimated one-time gross revenue recovery through June of 1994 (4.5 years) would amount to an estimated \$2.7 million. Because there may be a significant amount of staff effort to locate Departmental records of SSI approvals prior to 1992, retrieve them from storage and prepare lists for the Hospitals in order for the Hospitals to prepare and submit Medi-Cal claims, the Social Services Department should be allocated some additional funding to cover its costs for temporary, part-time, and or overtime expenses related to this project. While these costs are not projected to be significant, the Department should submit a supplemental appropriation, if necessary.

Department: San Francisco General Hospital**Program: All**

Staffing costs for SFGH to process these claims should be less than \$300,000. This would result in net one-time revenue of an estimated \$2.4 million. In order to process these claims on an ongoing basis, it will be necessary to increase the Patient Accounts billing staff by three 1636 - Billing Clerk positions at an annual cost of \$129,412, resulting in a net annual benefit of \$511,487. Alternatively, these future claims could be processed by the Hospital's contract retroactive billing company which utilizes extensive computer resources to identify and bill retroactive medical claims. The cost of this service is estimated to be as much as \$160,225 based on 25 percent of charges.

As a result of the success of this initial test project between the Department of Social Services and the Hospitals, the Social Services Department is developing a process to ensure the monthly transmission of retroactive Medi-Cal eligibility data on general assistance clients approved for SSI. This information will be sent to both SFGH and Laguna Honda Hospital on a timely basis in a hard copy and computer disc format. Mr. Brian Cahill and Mr. Ray Sullivan from the Department of Social Services have coordinated and expedited this project. Mr. Peter Praetz and Ms. Sharon Kennison of SFGH are coordinating the Medi-Cal claiming process for SFGH and Mr. Al Diaz and Vern Phelps are responsible at Laguna Honda Hospital.

5/9/94

FY 1994-95 Recommendations

Department: San Francisco General Hospital

Program: Work Order

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$	\$	\$

Explanation of Differences:

- Indirect and Administrative Cost Recovery from San Francisco International Airport Medical Services in FY 1994-95

Based on discussions with Dr. Chuck Saunders pertaining to the medical services at San Francisco International Airport, such services include approximately \$1.2 million of salary and benefit costs which would be subject to assessment of indirect and administrative cost recovery in order for the Hospital to fully recover its costs and therefore avoid subsidizing the Airport. An estimated indirect cost rate proposal was being developed which resulted in an indirect cost rate of 16.54 percent. Based on this rate, an additional \$198,480 of cost reimbursement would be generated for the Hospital.

5/9/94

Department: San Francisco General Hospital
 Program: N/A

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$	\$	\$

Explanation of Differences:

• San Francisco General Hospital Volunteer Auxiliary

An analysis of the financial statements of the Hospital's volunteer organization has identified a possible compliance problem with Sections 4.9-1 and 19A.18 of the City's Administrative Code (Attachment 2 and 3). The organization has developed a fund balance as of June 30, 1993 of approximately \$302,000. Pursuant to the City's Administrative Code, the net proceeds earned by the organization from its operations at the Hospital must be expended by June 30 of the succeeding fiscal year or returned to the City and placed in the SFGH Gift Fund. The Volunteers believe that they have fully expended the hospital revenues which they have collected for the purposes specified in the Administrative Code. However, due to accounting practices which comingle these revenues with restricted and unrestricted grants and donations only a detailed review of prior financial statements would determine the source of the \$302,000 current fund balance.

Consequently, it is the Budget Analyst recommendation that hospital accounting staff make such a review and take action to ensure ongoing compliance with this requirement including advising the SFGH Volunteer Auxiliary that some portion of the \$302,057 June 30, 1993 fund balance may have to be immediately transferred to the SFGH Gift Fund depending upon the results of the review of the prior financial statements.

5/9/94

Department: San Francisco General Hospital
Program: N/A

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$	\$	\$

Explanation of Differences:

• San Francisco General Hospital Vending Machine Revenues

Currently, all revenue from vending machine sales at SFGH is received by the Volunteers to San Francisco General Hospital Non-Profit Organization pursuant to an agreement between the Hospital Director and the volunteers. The volunteers entered into an agreement in 1977 which provides for vending machine services at the Hospital including a commission of five percent of gross sales for the volunteers. Based on FY 1992-93 vending sales of an estimated \$33,500, the volunteers received commissions of \$1,675. Total food sales including the Cafe General and the Hot Food Truck amounted to approximately \$665,000 on which the volunteers received commissions of about 12.5 percent.

At Laguna Honda Hospital, vending machine revenues go to the Hospital. However, pursuant to the terms of the current contract, the Hospital is receiving an estimated 4.56 percent on a projected \$58,000 in annual sales. This contract also specifies certain preferential prices such as 45 cents for potato chips, \$1.75 for sandwiches, 50 cents for canned beverages and 25 cents for hot drinks in lieu of a commission on canned beverage sales. However, these terms are not fully complied with. Potato chips are sold for 70 cents instead of 45 cents and sandwiches are sold for \$2.00 instead of \$1.75.

In order to improve the quality of vending services and increase the revenue to the hospitals, these service arrangements should be reevaluated. If the Purchaser were to solicit proposals from all of the major vending machine companies for the right to exclusive franchises at both hospitals, it is possible that the percentage commissions bid and the quality and comprehensiveness of service would all increase. As an example, the County of Santa Clara has an exclusive vending machine contract with a major vending machine company for one of its departments which guarantees the County 30 percent of gross revenues.

If in response to the request for proposal, the City were to award a new contract for both hospitals, the increase in revenue at SFGH could go to the Hospital and the volunteers could continue to get their same percentage. Based on 20 percent of gross sales and standardized pricing at both hospitals, it is estimated that SFGH would realize about \$5,000 in annual vending machine revenue and Laguna Honda would receive increased revenues of approximately \$9,000. If the commissions from all food sales at SFGH increased to the twenty percent level as a result of the suggested competitive process, approximately \$50,000 of additional revenue would be generated at SFGH.

5/9/94

**Department: Laguna Honda Hospital
Program:**

Overview

The FY 1993-94 Laguna Honda Hospital (LHH) budget, as amended during the fiscal year, amounts to \$101,686,838 and includes \$5,474,271 of General Fund support. LHH is licensed for 1,202 skilled nursing beds and 102 acute beds, however, the FY 1993-94 budgeted capacity is approximately 1,138 skilled nursing beds and 35 acute beds. The FY 1993-94 daily inpatient census through April of 1994 averaged 1,118 patients or approximately 98 percent of capacity. The average number of vacancies amounted to 20 or 2 percent of capacity. These patients are cared for in a total of 43 wards which include two acute wards, three rehabilitation wards, an AIDS ward, a hospice ward and 36 general skilled nursing wards. The Clarendon Hall facility houses eight of these general skilled nursing wards and the remaining 28 are throughout the main hospital building.

The Mayor's proposed FY 1994-95 budget amounts to approximately \$103,000,000 unstandardized and includes General Fund support. This budget is based on an average daily inpatient census of 1,145 patients. For FY 1994-95, the proposed budget provides some expanded services which are projected to generate additional revenues in excess of variable costs thereby reducing the General Fund support of the Hospital. The budgeted capacity for FY 1994-95 would increase from a total of 1,138 to 1,168 skilled nursing beds.

As a result of the detailed review of the Hospital's FY 1994-95 proposed budget, certain issues pertaining to potential increased revenues were identified and are described below. The issues have been reviewed with Hospital Administration who concur with the recommendations. The Hospital Administration reports that the increased revenues have been applied towards reducing the amount of SFGH General Fund support.

FY 1994-95 Recommendations

Department: Laguna Honda Hospital

Program:

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$	\$	\$

Explanation of Differences:

- Increased Revenue Through a Reduction in the Average Daily Vacancy Rate

Laguna Honda Hospital currently operates with an average daily vacancy rate of 2 percent or 20 beds despite having a patient waiting list ranging from 140 to 200 patients throughout the year. Based on an average daily reimbursement rate of approximately \$206 for the skilled nursing beds, each annual vacancy costs the Hospital over \$75,000 per year. Although the Hospital operates very near 100 percent capacity, the 2 percent average daily vacancies throughout the year cost the Hospital more than \$1.6 million annually in lost revenue.

By reviewing the vacancies on a daily basis for the entire month of March 1994, it was determined that the cause of vacancies fall into two main categories. The primary cause is due to patients leaving the LHH to temporarily go to an acute hospital or for a temporary leave. Because the Hospital has a policy of holding beds vacant for patients until they return, approximately two-thirds of the unpaid bed days occur for this reason despite the fact that Medi-Cal does pay LHH for up to seven days while a patient is in an acute hospital. Therefore, on an annual basis LHH loses about \$1,1 million due to holding beds for absent patients.

The second cause of vacancies is due to normal patient turnover resulting from patients, leaving the hospital, transferring to other skilled nursing facilities, and deaths. Although the timing of these events cannot always be predicted, the volume is large enough that the hospital runs a constant vacancy factor. The Hospital has dedicated one ward exclusively to admissions to ensure a supply of patients is always available to fill such vacancies, however, not only have the Hospital wards operated with ongoing vacancies, but the admissions ward itself operates with vacancies.

Department: Laguna Honda Hospital

Program:

The detailed study of vacancies for the month of March showed that Clarendon Hall which has eight wards and 166 beds had an average of 3.4 beds vacant daily of which 1.2 were over and above those held for absent patients. For 23 of 30 days or 77 percent of the time there was at least one available bed. The main hospital building which has 28 wards and 920 beds averaged 13.8 vacancies daily including 4.7 that were in excess of those required for absent patients. At least two beds were vacant every day of the month beyond those held for the return of absent patients. During this same period, the admissions ward averaged 2.5 vacancies daily.

Given the fact that the Hospital has an extensive waiting list, procedures should be developed to improve the timeliness of filling vacant beds even if the Hospital chooses to maintain its current policy of holding beds vacant for absent patients indefinitely, despite the fact that the hospital receives no revenue for such beds and incurs unreimbursed staffing and other costs. If the Hospital could reduce its average number of vacant beds by about 10 percent, it could generate approximately \$200,000 in additional annual revenue.

It is recommended that the Board of Supervisors consider requesting the Hospital to develop improved procedures to reduce its vacancy factor by more proactively monitoring and managing the timeliness of filling vacant beds.

Department: Laguna Honda Hospital
Program:

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$	\$	\$

Explanation of Differences:

- Retroactive Billing of Medi-Cal for Medically Indigent Adults Subsequently Approved for SSI

The Department of Social Services provided data on general assistance clients approved for SSI during the six months from September 1993 through February 1994. This list included a six month total of 1,042 names which averaged 150 unduplicated names per month. Based on a complete review of all of the 1,042 names, it was determined that 11 had received services at LHH. Nine of these patients had been previously determined by the Hospital to be eligible for Medi-Cal, but two were identified as medically indigent adults (MIA) patients who had received services during the period of retroactive eligibility. One patient had received five days of unreimbursed care in a skilled nursing ward which can now be billed at a rate of approximately \$206 per day. The other patient received 42 days of care in an acute care ward is now billable at a rate of \$803 per day. For FY 1993-94, this equates to \$34,756 that can now be retroactively billed to Medi-Cal.

Due to the low number of previously unbilled Medi-Cal patients that were identified from the six months of data and the wide variance the financial benefit, it is difficult to forecast the future benefit that LHH might receive from this source. However, based on an annual total of four patients and an average retroactive billing of \$2,500, LHH would receive an additional \$10,000 annually. In addition, the Hospital can claim one-time revenue based on prior SSI approvals for clients who received services that have not been billed.

The Social Services Department is researching its records to determine how far back it has data on General Assistance clients who were approved for SSI. Records for at least the last two years reportedly should be readily available. Assuming such information is available back to January of 1990, the estimated one-time gross revenue recovery through June of 1994 (4.5 years) would amount to an estimated \$37,931. There are no additional staffing costs for LHH to process these claims due to the low volume of projected unbilled patients.

Department: Laguna Honda Hospital
Program:

As a result of the success of this initial test project between the Department of Social Services and the Hospitals, the Social Services Department is developing a process to ensure the monthly transmission of retroactive Medi-Cal eligibility data on general assistance clients approved for SSI. This information will be sent to both SFGH and Laguna Honda Hospital on a timely basis in a hard copy and computer disc format. Mr. Brian Cahill and Mr. Ray Sullivan from the Department of Social Services have coordinated and expedited this project. Mr. Peter Praetz and Ms. Sharon Kennison of SFGH are coordinating the Medi-Cal claiming process for SFGH and Mr. Al Diaz and Vernon Phelps are responsible at Laguna Honda Hospital.

FY 1994-95 Recommendations

Department: Laguna Honda Hospital
Program:

Recommended 1994-95 Funding Levels:

	Department	Mayor's Office	Budget Analyst
	\$	\$	\$

Explanation of Differences:

• Laguna Honda Hospital Vending Machine Revenues

At Laguna Honda Hospital, vending machine revenues go to the Hospital. However, pursuant to the terms of the current contract, the Hospital is receiving an estimated 4.56 percent on a projected \$58,000 in annual sales. This contract also specifies certain preferential prices such as 45 cents for potato chips, \$1.75 for sandwiches, 50 cents for canned beverages and 25 cents for hot drinks in lieu of a commission on canned beverage sales. However, these terms are not fully complied with. Potato chips are sold for 70 cents instead of 45 cents and sandwiches are sold for \$2.00 instead of \$1.75.

Currently, all revenue from vending machine sales at SFGH is received by the Volunteers to San Francisco General Hospital Non-Profit Organization pursuant to an agreement between the Hospital Director and the volunteers. The volunteers entered into an agreement in 1977 which provides for vending machine services at the Hospital including a commission of five percent of gross sales for the volunteers. Based on FY 1992-93 vending sales of an estimated \$33,500, the volunteers received commissions of \$1,675. Total food sales including the Cafe General and the Hot Food Truck amounted to approximately \$665,000 on which the volunteers received commissions of about 12.5 percent.

In order to improve the quality of vending services and increase the revenue to the hospitals, these service arrangements should be reevaluated. If the Purchaser were to solicit proposals from all of the major vending machine companies for the right to exclusive franchises at both hospitals, it is possible that the percentage commissions bid and the quality and comprehensiveness of service would all increase. As an example, the County of Santa Clara has an exclusive vending machine contract with a major vending machine company for one of its departments which guarantees the County 30 percent of gross revenues.

If in response to the request for proposal, the City were to award a new contract for both hospitals, the increase in revenue at SFGH could go to the Hospital and the volunteers could continue to get their same percentage. Based on 20 percent of gross sales and standardized pricing at both hospitals, it is estimated that SFGH would realize about \$5,000 in annual vending machine revenue and Laguna Honda would receive increased revenues of approximately \$9,000. If the commissions from all food sales at SFGH increased to the twenty percent level as a result of the suggested competitive process, approximately \$50,000 of additional revenue would be generated at SFGH.

Department: Superior and Municipal Courts

Overview

The Superior and Municipal Courts are a County function in accordance with State Law that created the courts and sets policy for operations of the courts. The Superior and Municipal Courts have been in the process of combining their administrative functions in accordance with the 1991 Trial Court Realignment Act in order to achieve savings from reducing two administration programs into one such program. The Superior and Municipal Courts' budget is not subject to review and adjustment by the Mayor's Office which is an office of a City's government.

The State Trial Court Funding Act provides for partial funding of the Superior and Municipal Courts with State monies. According to the Superior and Municipal Courts' Budget Officer, San Francisco should receive an additional approximately \$11 million in Trial Court Funding Act State funding for 1994-95 compared to 1993-94. Such additional Trial Court Funding Act funding from the State would be credited to the City's General Fund. The Superior and Municipal Courts will also receive State funding for a computer automation project and Federal funding for Family Law Services.

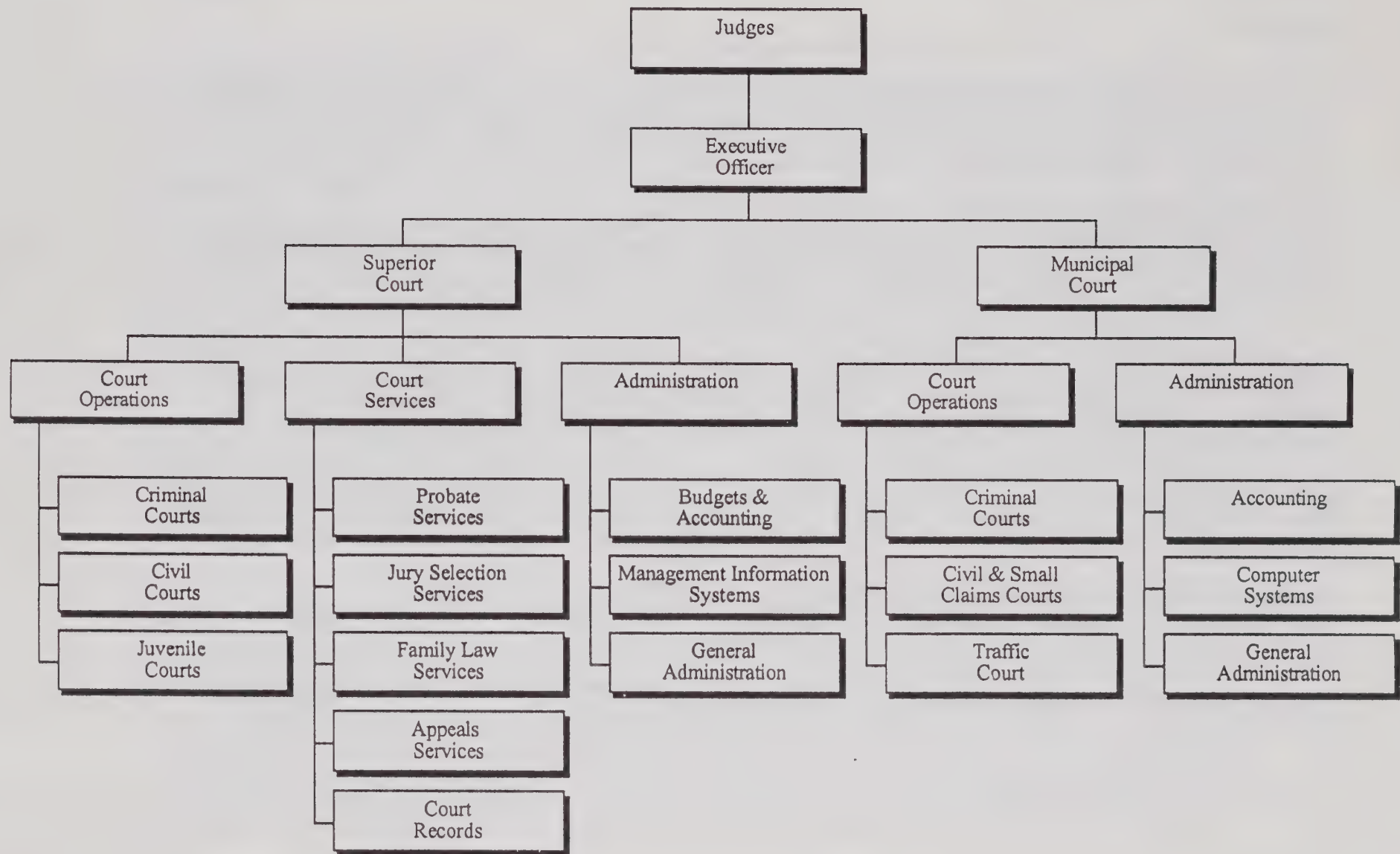
The proposed 1994-95 budget for the Superior and Municipal Courts includes two new positions for the Small Claims Court. These two new positions would be half time positions and are required in order to meet the State requirement that Superior and Municipal Courts' costs of operating the Small Claims Court be at least half of the amount of fee revenues that the Superior and Municipal Courts receive from operating the Small Claims Court.

Eight new clerk positions are requested for the Traffic, Civil and Small Claims Courts' operations and one new position is requested to provide administrative support for the Traffic Commissioner. However, support for the Traffic Commissioner is already provided by a position in the Juvenile Probation Department's budget.

Two new positions are requested for the Computer Automation Project that will be fully funded by the State and seven new positions are requested for the Family Support Bureau that will be fully funded by Federal monies.

Pursuant to State Assembly Bill 408 that decriminalized parking citations, 55 positions and associated operating costs for processing parking citations that were included in the Superior and Municipal Courts' 1993-94 were transferred to the Department of Parking and Traffic in October, 1993.

Superior and Municipal Courts



Department Summary

Department: Superior and Municipal Courts

Mission Statement:

The Superior and Municipal Courts serve the public and the judiciary by providing efficient record keeping and case processing functions and maximizing accessibility to court case information. The Courts also serve the public by providing access to case summaries and records and by providing free legal forms.

1993-94 Budgets by Program

NOTE: The Mayor's Office has not prepared Program Budgets for the Superior and Municipal Courts. However, we have developed 17 programs for the courts, presented on the next page.

FY 1994-95 Recommendations

Department: Superior and Municipal Courts

Program: Combined Superior and Municipal Courts

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$47,414,957	\$	\$46,399,157

Explanation of Differences:

1. The Superior Court Assistant County Clerk position is an unnecessary level of supervision in the Combined Courts. Savings = \$95,600
2. The accounting unit for the Municipal Court includes a Clerk, two Account Clerks and two Accountants supervised by an Assistant Fiscal Officer and a Fiscal Officer. Eliminate the Fiscal Officer position. Savings = \$94,300
3. The Deputy Chief position for the Civil and Small Claims Courts Division at City Hall is an extra level of supervision that should be eliminated. Savings = \$91,000
- 4 The Deputy Chief position for the Criminal Court and the Traffic Court at the Hall of Justice is an extra layer of supervision that should be eliminated. Savings = \$91,000
5. Both the Superior and Municipal Courts operations have separate computer system units, each with its own supervisor. The two computer system units should be combined under one supervisor. Savings = \$82,000
6. The Jury Services unit, including three Jury Coordinators and eight staff workers, is administered by the Deputy Jury Commissioner. The three jury Coordinators are an extra layer of supervision that should be eliminated. Savings = \$200,000
7. Eliminate eight new 330 Deputy Clerks, Municipal Court positions. Savings = \$221,400

5/8/94

FY 1994-95 Recommendations

8. Eliminate one new 681 Judicial Clerk Senior, Superior Court position that would support the Traffic Court Commissioner because this new position would duplicate an existing position in the Juvenile Probation Department's budget that currently supports the Traffic Court Commissioner. Savings = \$40,500
9. Increase salary savings requirement from requested 3.6 percent to 4.0 percent consistent with actual experience. Savings = \$100,000

Policy Options

Department: Superior and Municipal Courts

Program: Combined Superior and Municipal Courts

Policy Options for 1994-95

1. A discussion of alternatives for the defense of indigent defendants, for which the Superior and Municipal Courts are budgeting \$11.1 million for 1994-95, is included in our report for the Public Defender's Office.
2. The Judges of the Superior and Municipal Courts indicate that they will be considering implementation of a Master Calendar for the Criminal Courts of the Municipal Court in the near future.

PROGRAM and BUDGET RECOMMENDATIONS

DEPARTMENT No.: 12
DEPARTMENT NAME: Juvenile Probation

Description of Services and Performance Measures

The mission of the Juvenile Probation Department is to protect the public by providing for the treatment and rehabilitation of those youth of San Francisco who have been identified and referred by the Court, enabling them to lead productive, crime-free lives and to realize their full potential. The Department will accomplish this in the least restrictive manner commensurate with public safety and while working with the family of the youth, whenever possible.

Restructuring or Other Significant Changes:

The Juvenile Probation Department's FY 94-95 Budget submission includes resources to implement a Serious Repeat Offender Program, expansion of the Intensive Home Supervision Program, and implementation of a Juvenile Offender Local Prevention and Corrections Program.
The Department also expects to produce an additional \$3.2 million in Title IVA and Title IVE revenues.

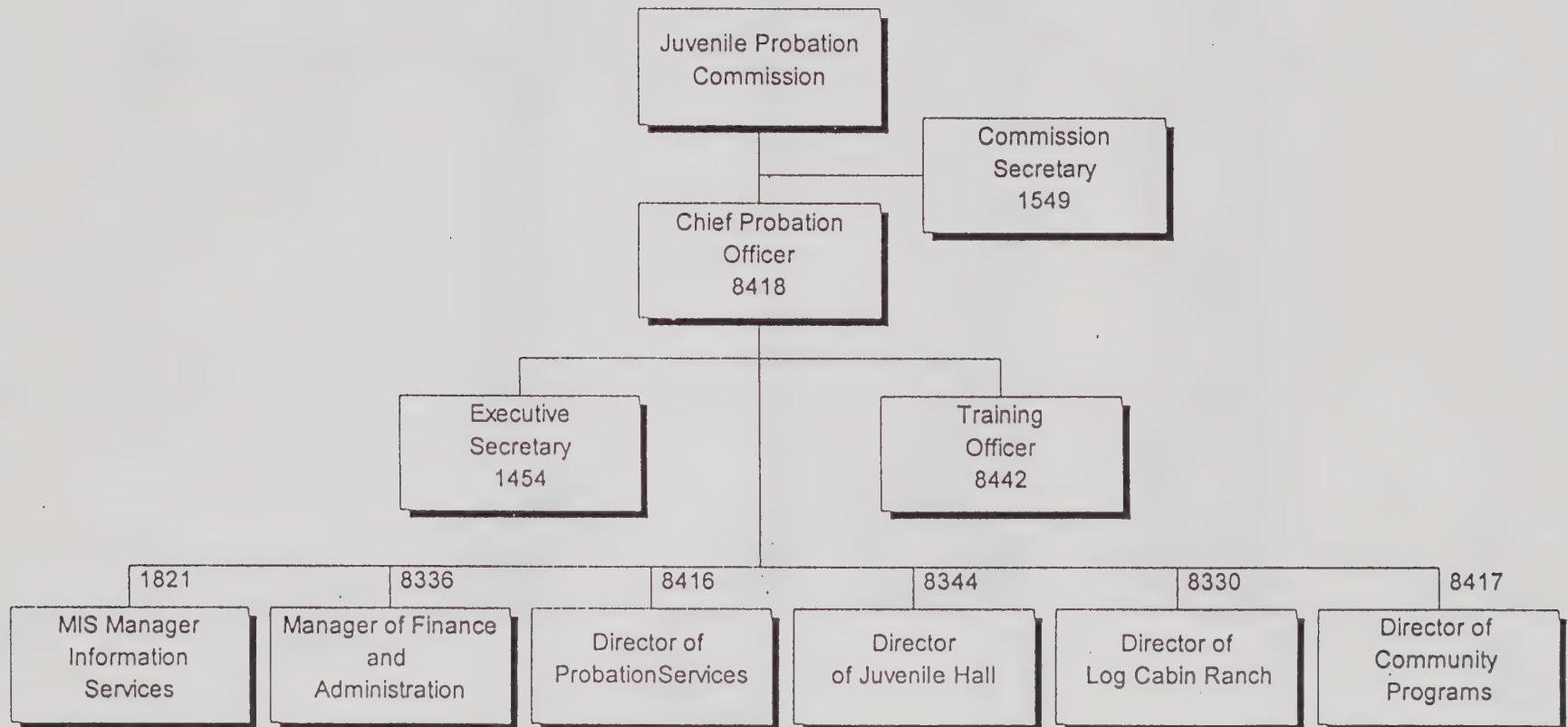
Significant Constraints on Recommendations or Policy Options (Consent Decree, State or Federal Law or Regulation, etc.)

Settlement Agreement between the Youth Law Center and the City and County of San Francisco.

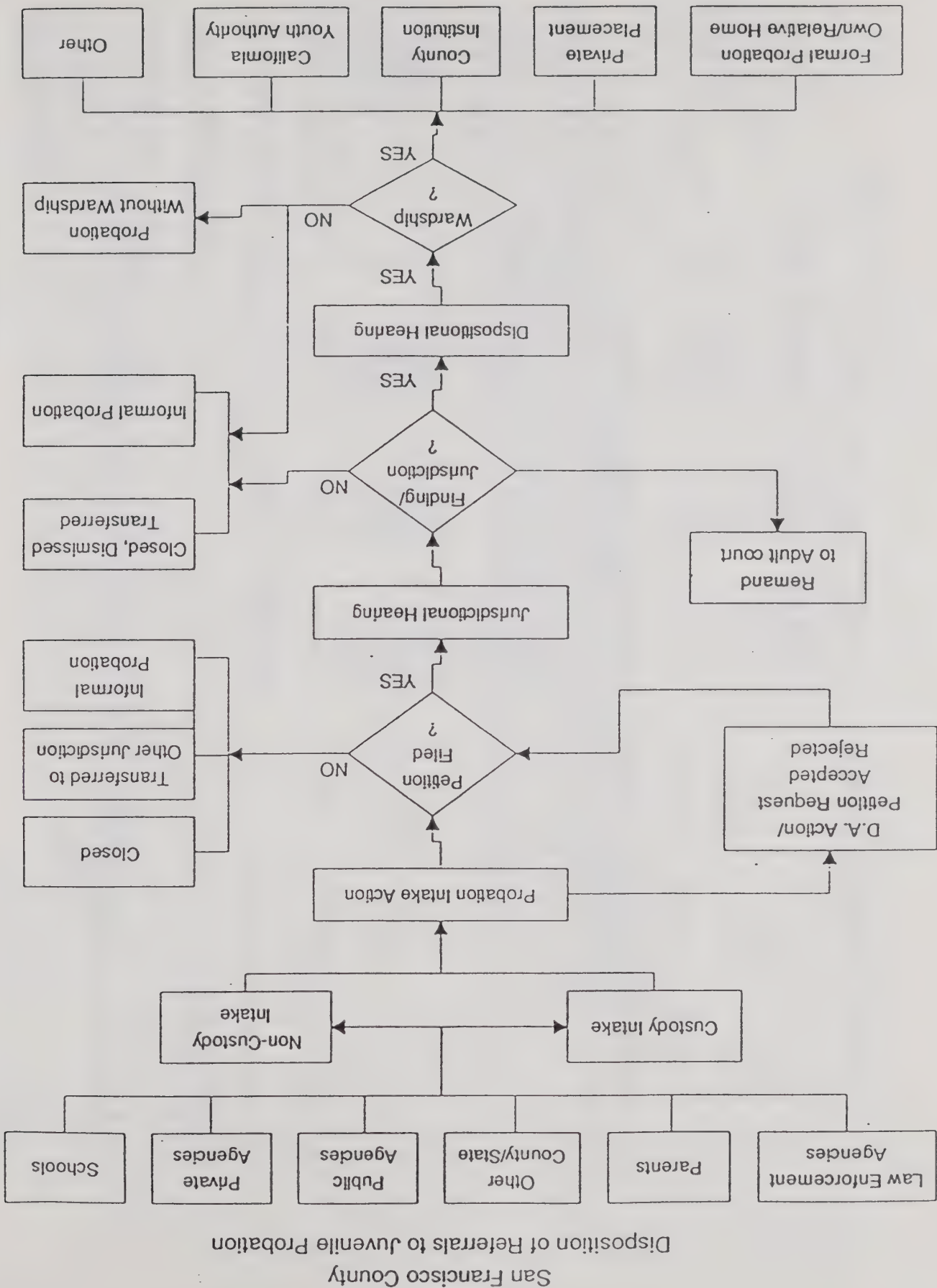
Major Policy Options

Increase the actual detainee population of Log Cabin Ranch from the currently self-imposed ceiling of 50 youths. The rated capacity of Log Cabin Ranch is 83 which, based on the needs of the City, could be the number of youths that can be served at Log Cabin Ranch at any one time.

San Francisco
Juvenile Probation Department
Executive Structure



2/23/94 (ET.AF2)



Department Summary

Department: JUVENILE PROBATION

Mission Statement:

The mission of the Juvenile Probation Department is to protect the public by providing for the treatment and rehabilitation of those youth of San Francisco who have been identified and referred by the Court, enabling them to lead productive, crime-free lives and to realize their full potential. The Department will accomplish this in the least restrictive manner commensurate with public safety and while working with the family of the youth whenever possible.

1993-94 Budgets by Program

Mayor's Budget Programs	1993-94			
	FTE	Costs	Revenues	Net General Fund
1 Probation Services	94	\$5,600,784	\$891,750	\$4,710,064
2 Administration & Support	46	2,771,040	0	2,621,049
3 Juvenile Hall	111	6,644,277	120,000	6,307,622
4 Log Cabin Ranch	26	1,893,277	43,000	1,847,882
5 Children's Baseline	7	1,587,865	0	1,589,167
<i>Subtotal</i>	284	\$18,497,243	\$1,054,750	\$17,075,784
Capital Improvements		554,400		554,400
TOTAL	284	\$19,051,643	\$1,054,750	\$17,630,184

1994-95

		1994-95 Expenditures			1994-95 Revenues		
		Department	Mayor	Budg. Analyst	Department	Mayor	Budg. Analyst
1 Probation Services	97	\$7,589,899	\$7,414,745	\$7,254,366	\$4,428,000	\$4,428,000	\$4,428,000
2 Administration & Support	47	3,111,189	3,115,212	3,091,725	0	0	0
3 Juvenile Hall	145	8,657,676	8,018,237	7,982,507	120,000	120,000	120,000
4 Log Cabin Ranch	27	2,333,888	2,350,917	2,352,174	43,000	43,000	43,000
5 Children's Baseline	12	1,921,538	1,630,129	1,686,777	0	0	0
<i>Subtotal</i>	328	\$23,614,190	\$22,529,240	\$22,367,549	.		
TOTAL		\$23,614,190	\$22,529,240	\$22,367,549	\$4,591,000	\$4,591,000	\$4,591,000

5/9/94

FY 1994-95 RECOMMENDATIONS

Department: Juvenile Probation

Program: Probation Services

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$7,589,899	\$7,414,745	\$7,254,366

Explanation of Differences:

Reduce the program budget as follows:

Savings

Personnel (New Positions)

<u>No.</u>	<u>Classification</u>	<u>Title</u>	<u>Salaries</u>	<u>MFB</u>	<u>Other</u>	<u>Total</u>
3	8440	Probation Officer	\$137,595	\$26,301	\$0	\$163,896
3	8442	Senior Probation Officer	<u>\$144,435</u>	<u>\$27,202</u>		<u>\$171,637</u>
		Total	\$282,030	\$53,503	\$0	\$335,533

Four of the six positions, the three 8440 Probation Officers and one of the 8442 Senior Probation Officers, are existing positions. These positions are recommended for deletion based on a comparison of San Francisco's Probation Officer caseloads with those of three other jurisdictions, which showed that San Francisco's supervision and out-of-home placement caseloads are generally lower. The two remaining 8442 Senior Probation Officer positions are two of four new positions being requested by the Juvenile Probation Department in connection with the Department's proposed new repeat/violent offender programs. The Budget Analyst believes that based on the Department's existing staff level, only two of the four positions are justified.

FY 1994-95 RECOMMENDATIONS

Department: Juvenile Probation
Program: Administration

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$3,111,189	\$3,115,212	\$3,075,024

Explanation of Differences:

Reduce the program budget as follows:

Savings

Personnel (New Positions)

<u>No.</u>	<u>Classification</u>	<u>Title</u>	<u>Salaries</u>	<u>MFB</u>	<u>Other</u>	<u>Total</u>
1	1430	Transcriber Typist	\$28,658	\$6,507	\$0	\$35,165
		Total	\$28,658	\$6,507	\$0	\$35,165

This position is one of three Transcriber Typist positions assigned to the Administrative Division. The Budget Analyst believes that the current workload in the Division only justifies the need for two of the three positions.

FY 1994-95 RECOMMENDATIONS

Department: Juvenile Probation
Program: Juvenile Hall

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$8,657,676	\$8,018,237	\$8,120,987

Explanation of Differences:

Reduce the program budget as follows:

Personnel (New Positions)

<u>No.</u>	<u>Classification</u>	<u>Title</u>	<u>Salaries</u>	<u>MFB</u>	<u>Other</u>	<u>Total</u>
13	8207	Building and Grounds Patrol	\$416,600	\$90,382	\$0	\$506,982
1	7524	Institution Utility Worker	<u>\$23,835</u>	<u>\$5,872</u>	<u>\$0</u>	<u>\$29,707</u>
		Total	\$440,435	\$96,254	\$0	\$536,689

The Juvenile Probation Department is requesting a total of 13 classification 8207, Building and Grounds Patrol, positions at an annual cost of approximately \$506,982, to improve safety and security controlling the flow of people and material into and out of Juvenile Hall. Based on discussions with Departmental staff, the Budget Analyst believes that the level of additional security that would result from the Buildings and Grounds Patrol is not commensurate with the additional costs that would be incurred.

The Department is requesting two additional classification 7524, Institution Utility Worker, positions in addition to its existing 7524 position, at an annual cost of approximately \$59,415. We recommend that one additional Institution Utility Worker position be approved.

FY 1994-95 RECOMMENDATIONS

Department: Juvenile Probation

Program: Childrens' Baseline

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$1,921,538	\$1,630,129	\$1,705,392

Explanation of Differences:

Reduce the program budget as follows:

Savings

Personnel (New Positions)

<u>No.</u>	<u>Classification</u>	<u>Title</u>	<u>Salaries</u>	<u>MFB</u>	<u>Other</u>	<u>Total</u>
2	1842	Management Assistant	\$68,492	\$14,652	\$0	\$83,144
1	1822	Administrative Analyst	\$38,271	\$7,529	\$0	\$45,800
1	1444	Secretary	<u>\$24,052</u>	<u>\$5,973</u>	<u>\$0</u>	<u>\$30,025</u>
		Subtotal	\$130,815	\$28,154	\$0	\$158,969

Other Expenditures

Five percent Cost-of-Living Allowance: Community-based Program	\$57,177
Subtotal	\$57,177
Total	\$216,146

The new positions would be used to expand technical and clerical support to community-based services. Since the Department has not adequately demonstrated the effectiveness of the existing community-based programs (none of these programs has been formally evaluated), additional expenditures for these types of services are not justified at this time. An evaluation of the community-based programs is needed.

DEPARTMENT: Public Library

Overview

The Budget Analyst has identified the following seven programs in the Public Library: (1) Main Library, (2) Branch Libraries, (3) Technical Services, (4) Automation, (5) Support Services, (6) Administration and (7) Children's Budget. An organization chart is attached for further reference. However, for purposes of comparison with the Public Library's budget, we show combined totals for Technical Services/Automation and Support Services/Administration.

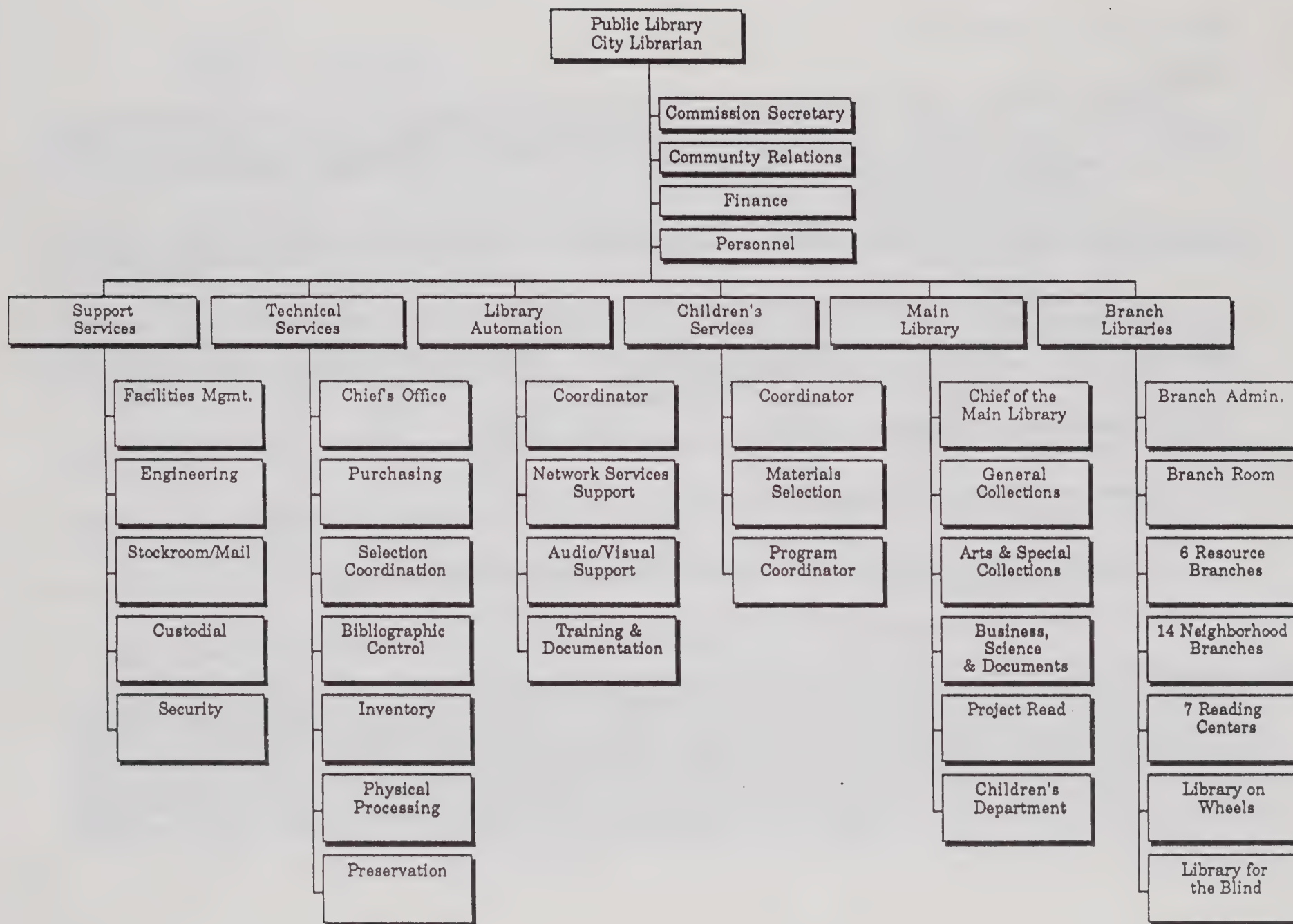
There are no significant changes in the Public Library's proposed FY 1994-95 budget as compared with the FY 1993-94 budget. The Public Library has complied with the Mayor's proposed \$452,000 reduction in their FY 1994-95 budget by adjusting the amount budgeted for salary savings.

Overall, the proposed recommendations include a total of \$222,692 annual savings from the elimination of three positions and a new downward classification in Administration, \$236,755 annual savings through contracting out custodial and security services in Support Services and \$237,944 of annual additional revenues by hiring a collection agency to recover outstanding fines and implementing a fee-for-service electronic online system for FY 1994-95. The revenue enhancement initiatives were developed by the City Librarian and have been approved in concept by the Library Commission.

In addition to these recommendations, the Budget Analyst has included the following major policy options for consideration by the Board of Supervisors:

- Increase overdue fines for adults and seniors, institute fines for children and eliminate the \$5 maximum for fines - estimated \$60,000 additional annual revenue.
- Close Branch Libraries, based on levels of use, extent of resources, population and geographic proximity to alternative Branches - up to \$828,870 savings annually.
- Transfer funding of dedicated children's services from the General Fund to the Children's Fund - \$343,435 annual savings.

However, it should be noted that Proposition E, based on an initiative petition, has been placed on the June 7, 1994 City ballot. Proposition E would require the City to establish a Library Preservation Fund, to maintain funding for the Public Library at a level no lower than the amount provided in FY 1992-93 and to keep the Main Library and all 26 Branch Libraries open for a specified minimum number of hours per week. Since Proposition E does not identify additional revenues to fund this increase in services, other City department's spending would have to be reduced or new revenues found to fund these increased Public Library services. The Controller estimates that Proposition E would result in a total funding commitment for the Public Library of approximately \$34 million in FY 1994-95, with this amount escalating in future years. This estimated \$34 million under Proposition E, is in comparison with the currently proposed FY 1994-95 Library budget of \$20.8 million, or an increase of \$13.2 million.



Department Summary

Department: PUBLIC LIBRARY

Mission Statement:

- Serve all members of community
- Resource for children, scholars, entrepreneurs and readers of all ages
- Provide free and equal access to information, knowledge, independent learning and the joys of reading
- Provide service through 26 Branches and Main Library

1993-94 Budgets by Program

1993-94

Mayor's Budget Programs

	FTE	General Fund Costs	Revenues	Net General Fund	Grant & Foundation Funds*
1 Main Library	123	\$4,932,972	\$0	\$4,932,972	\$611,116
2 Branch Libraries	109	\$5,512,576	\$0	\$5,512,576	
3 Technical Svcs/Automation	40	\$3,815,374	\$0	\$3,815,374	\$332,320
4 Support Svcs/Administration	54	\$3,236,373	\$594,421	\$2,641,952	
5 Children's Budget	59	\$3,077,316	\$0	\$3,077,316	
TOTAL	385	\$20,574,611	\$594,421	\$19,980,190	\$943,436

1994-95

1994-95 General Fund Expenditures

1994-95 Program Revenues

	1994-95 General Fund Expenditures			1994-95 Program Revenues		
	Department	Mayor	Budg. Analyst	Department	Mayor	Budg. Analyst
1 Main Library	\$5,176,951	\$5,176,951	\$5,176,951	\$0	\$0	\$0
2 Branch Libraries	\$5,426,158	\$5,426,158	\$5,426,158	\$0	\$0	\$0
3 Technical Svcs/Automation	\$3,812,825	\$3,812,825	\$3,812,825	\$0	\$0	\$0
4 Support Svcs/Administration	\$3,151,245	\$2,628,598	\$2,691,798	\$594,421	\$832,365	\$832,365
5 Children's Budget	\$3,275,010	\$3,275,010	\$3,275,010	\$0	\$0	\$0
TOTAL	\$20,842,189	\$20,319,542	\$20,382,742	\$594,421	\$832,365	\$832,365

* These funds support specific activities beyond General Fund Library Services. Totals do not include approximately \$2.7 million that has been awarded or donated to the Public Library in FY 1993-94 for the new Main Library, renovation of the Mission and Chinatown Branches, and other capital expenses.

Fiscal Year 1994-95 Recommendations

Department: Library
Program: Main Library

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$5,176,951	\$5,176,951	\$5,176,951

Explanation of Differences:

The Budget Analyst concurs with the Department. As stated above, we urge the the Library to plan now to achieve a more efficient allocation of staff when the transition to the new Main Library occurs. The Budget Analyst has been advised that the transition team for the new Main Library will address this issue.

Department: Public Library
Program: Main Library

Policy Options for 1994-95

1. If the recommendation regarding reclassification of Pages is not implemented, contract out shelving of all Library materials.

The Library currently uses a 3602 Page classification, at an hourly rate of \$10.88, to sort, shelve, cull and process books on the library shelves for use by Library patrons as well as to perform various other functions in the Library. Although the Library has determined that the San Francisco Conservation Corps cannot provide these services at a lower cost, the Library should further investigate the potential for contracting out such services, through the Private Industry Council (PIC) or other interested parties, to determine whether such services could be provided at a lower cost. In the Main Library, approximately 14.6 Page positions and in the Branch Libraries, approximately 7.5 Page positions could be affected. Until a bid is received or a viable contractor is selected, the estimated amount of savings cannot be accurately determined.

Fiscal Year 1994-95 Recommendations

Department: Library

Program: Branch Libraries

Impact of Funding Adjustments:

1993-94 Funding Level: \$5,512,576

% 1993-94 \$ Amount Impact

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$5,426,158	\$5,426,158	\$5,426,158

Explanation of Differences:

The Budget Analyst concurs with the Department. Please see Budget Analyst Policy Options section for option that would close lowest-ranked Branch Libraries.

Department: Public Library
Program: Branches

Policy Options for 1994-95

1. Close Branch Libraries, based on levels of use, extent of resources, population and geographic proximity to alternative Branches. Estimated annual savings = \$237,621 up to \$828,870.

The Library ranked all of their facilities from one (most important) to 30 (least important) based on four basic criteria: (1) geographic proximity to a larger facility; (2) extent of available or special resources; (3) level of circulation and patron counts; and (4) geographic and population distribution. The following facilities represent the six lowest ranked facilities:

Branch	1993-94 Staffing	1993-94 Funding	Cumulative Funding Reduction
Library for Blind/Print Handicap*	5.1 FTEs	\$237,621	\$237,621
Golden Gate Valley Reading Center	1.75 FTEs	76,446	314,067
Glen Park Reading Center	1.9 FTEs	106,854	420,921
Ingleside Reading Center	3.15 FTEs	196,546	617,467
Presidio Reading Center	1.96 FTEs	93,717	711,184
Portola Reading Center	2.1 FTEs	117,686	828,870

*The Library reports that the Library for the Blind and Print Handicapped was ranked last because it serves the smallest clientele and could be provided by the State Library. By law, all blind residents have the right to talking book and braille collections offered through mail service, which is provided by the State Library. According to the Library, only three cities in California have opted, without any subsidy, to provide more personal services for their blind residents (Los Angeles, Fresno and San Francisco).

2. Transfer funding of dedicated children services from the General Fund to the Children's Fund. Estimated annual savings = \$343,435.

Proposition J, the Children's Amendment approved by San Francisco's voters in 1991 established a baseline of funding for children's services which would continue to be funded in future years. However, due to an oversight, the Public Library did not initially identify all of their children's services. As a result, 5.5 FTE dedicated positions in the Branches, totalling approximately \$343,435 in FY 1993-94, have continued to be funded through the City's regular General Fund budget, rather than under the Children's Amendment. If these positions and funds could be transferred from the General Fund to the Children's Amendment additional dedicated funding source, it could result in an offsetting savings of up to \$343,435 to the General Fund. In addition, the Library reports that there is approximately \$184,000 of additional Page positions shelving children's books in the Branches, services provided to teenagers and other children's material and supplies costs that are funded with General Fund revenues that are not included in the above estimates.

Fiscal Year 1994-95 Recommendations

Department: Library
Program: Technical Services

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$3,025,052	\$3,025,052	\$3,025,052

Explanation of Differences:

The Budget Analyst concurs with the Department.

Fiscal Year 1994-95 Recommendations

Department: Library
Program: Automation Services

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$787,773	\$787,773	\$787,773

Explanation of Differences:

The Budget Analyst concurs with the Department.

Fiscal Year 1994-95 Recommendations

Department: Library
Program: Support Services

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$2,014,657	\$1,777,902	\$1,777,902

Explanation of Differences:

1. Contract out custodial services. Estimated annual savings = \$193,244

The Library currently provides all of its own custodial services with 20 Civil Service employees at an annual cost of \$715,244. In FY 1994-95, the City's General Fund will pay all of these costs. Based on one bid from a local janitorial firm, these services could be contracted out to a private contractor to provide the same level of service, at an estimated annual cost of \$522,000. This would result in an estimated annual savings of \$193,244 to the General Fund.

2. Contract out security services. Estimated annual savings = \$43,511

The Library currently provides all of its own security services with nine Civil Service employees at an annual cost of \$248,703. In FY 1994-95, the City's General Fund will pay all of these costs. Based on one bid from a local security company, these services could be contracted out to a private contractor to provide the same level of service, at an estimated annual cost of \$205,192. This would result in an estimated annual savings of \$43,511 to the General Fund.

Fiscal Year 1994-95 Recommendations

Department: Library
Program: Administration

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$1,136,588	\$850,696	\$913,896

Recommended 1994-95 Revenue Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$594,421	\$832,365	\$832,365

Explanation of Differences: See next page

Explanation of Differences:

Administration: Budget Analyst Recommended Funding Cuts

1. The Budget Analyst recommends the elimination of one unfilled 3610 Library Assistant in the Finance sub-program (\$37,598).
2. We also recommend the elimination of one Recreation and Park Gardener workordered to the Library at an annual cost of \$57,000 and one 1446 Secretary within the Administration Division of the Library at an estimated annual cost of \$43,805, including fringe benefits. Additional volunteers will be used to augment gardening services at the Libraries.
3. The Library should develop a new Civil Service classification for only shelving responsibilities, while retaining the 3602 Page classification for other non-shelving responsibilities. This recommendation was developed by the City Librarian and approved, in concept, by the Library Commission. The new shelving classification, paid approximately \$6 per hour, would receive approximately \$4.88 less per hour than the 3602 Pages. Based on the 14.6 Page positions in the Main Library (\$55,770) and the 7.5 Page positions in the Branches (\$28,519) that could be shifted to this new classification, the Library could realize an annual savings of approximately \$84,289.

Administration: Budget Analyst Recommended Revenue Increases

1. Implement a fee-for-service electronic online system via computer or facsimile machine. Estimated additional annual revenue = \$22,650.

The Public Library could implement a fee-for-service system whereby full text articles could be delivered from the San Francisco Public Library online system and/or from other service providers via computer or facsimile machine. The City Librarian developed this revenue proposal, which has been approved in concept by the Library Commission. If the Library used their own system, assuming a \$5 charge per transaction, a \$.25 charge per page and an average of three pages per transaction, based on an estimated 20 transactions per day, there would be approximately 6,000 transactions per year, which could generate approximately \$34,500 annually. The Library reports that such a system could potentially be implemented by January 1, 1995 with existing staff. Assuming implementation for six months in FY 1994-95 would generate approximately \$17,250.

In addition, if the Public Library contracts with another provider for these on-line services, the Library estimates that the average charge would be \$12 per transaction, of which the Library would receive ten percent of the total charges generated. If 30 transactions occurred each day, it would result in approximately 9,000 transactions per year, or approximately \$108,000 of total charges, of which the Library would receive approximately \$10,800 annually. Assuming implementation for six months in FY 1994-95 would generate approximately \$5,400.

If these systems are successful, there may be the potential for increased revenues in future years.

2. Conduct competitive bidding for collection agency to recover outstanding fines and lost books. Estimated additional annual revenue = \$215,294.

The Library estimates that, as of March 18, 1994, there was approximately \$2.8 million of delinquent fines, lost books, including processing fees, and other late fines owed to San Francisco's Public Library. In accordance with the City's Administrative Code Section 10.38, the Public Library is responsible for collecting its own debts for all accounts under \$300. Based on a survey, the Budget Analyst reports that numerous public libraries in the State, including Berkeley, Oakland, Los Angeles and San Diego use collection agencies to recover their outstanding fine and lost book revenues. The Library should conduct a competitive bid to secure a collection agency to recover the City's outstanding fines and lost book revenues, as proposed by the City Librarian and approved, in concept, by the Library Commission. The Library estimates that, assuming one-half of the fine revenues and ten percent of the payments for lost books would be recovered, a total of \$430,587 would be recouped. However, based on discussions with the Tax Collector's Office, assuming that the City would be required to pay the collection agency approximately 50 percent of the revenue recovered, the City's net revenues would be approximately \$215,294 in FY 1994-95.

Department: Public Library
Program: Administration

Policy Options for 1994-95

1. Increase overdue fines for adults and seniors, institute fines for children and eliminate the \$5 maximum for fines. Estimated additional annual revenue = \$60,000.

Current overdue fines are \$.10 per day for adults and \$.05 per day for seniors for each overdue book, except for videotapes which are \$1.00 per day and CDs which are \$.50 per day. However, regardless of the length of time that an individual keeps a book, the Library does not charge more than \$5 for any overdue book. Therefore, at \$.10 per day, a delinquent patron reaches this maximum after 50 days. These fines were last increased in 1990. The Library has budgeted \$119,952 of revenue from the current overdue fines for FY 1993-94. According to the Library, children's fines were eliminated in 1974 based on a Task Force Study and the Library's current policy is that no fines are charged to children. It should be noted that Public Library cards are free, there is no charge to check out books or other materials and these materials can be renewed at no additional charge. The Budget Analyst recommends that overdue fines be increased for both adults and seniors to \$.15 per day per book, that children be charged \$.05 per day per book and that the Library charge a maximum overdue fine of the price of the book. Due to the lack of available data, we cannot accurately estimate the amount of additional annual revenue such changes in fines would generate. However, such changes should result in a minimum of a 50 percent increase in revenues, or approximately \$60,000 annually. Furthermore, more materials will be returned to the Library in a timely fashion, permitting greater circulation of existing materials.

Fiscal Year 1994-95 Recommendations

Department: Public Library

Program: Office of Children's Services*

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$248,722	\$248,722	\$248,722

Explanation of Differences:

The Budget Analyst concurs with the Department. Please see Policy Options/Branches for discussion of transferring funding of dedicated Children's Services from the General Fund to the Children's baseline.

* The Office of Children's Services (OCS) is a baseline funded program through the Children's Amendment. Note that the adjustment shown here pertain exclusively to OCS, and not to the other Library activities funded through the Children's Amendment in the Main, Branches, Technical Services and Automation..

PROGRAM and BUDGET RECOMMENDATIONS

DEPARTMENT No.: 4
DEPARTMENT NAME: District Attorney

Description of Services and Performance Measures

The mission of the District Attorney's Office is to investigate and prosecute all felony and misdemeanor offenses committed by adults and juveniles in the County of San Francisco. The District Attorney is also responsible for handling all aspects of child support cases, environmental violations, consumer protection matters, and providing services to victims of crime.

Restructuring or Other Significant Changes:

None.

Significant Constraints on Recommendations or Policy Options (Consent Decree, State or Federal Law or Regulation, etc.)

California Constitution Article 5, Section 13, and Article 11, Section 4.
California Government Code Section 24000 (a) and Sections 36500 through and including 36542.
San Francisco City Charter Section 3.402.
Constraints are also placed on the operation of the District Attorney by sections of the Federal and State Constitutions, State statutes, and judicial decisions relating to the manner in which litigation and investigations are to be conducted.

Major Policy Options

Establish a General Assistance Fraud Investigation Unit in the District Attorney's Office for the purpose of investigating suspected cases of welfare fraud within the General Assistance Program. The Unit would (1) investigate and seek arrest warrants, when appropriate, for individuals who embezzle money from the GA system, and (2) provide information and feedback to eligibility staff along with recommendations to reduce, discontinue, or deny aid to fraudulent applicants or recipients of aid.

[illegible]

VICTIM/WITNESS
ASSISTANCE PROGRAM
CLASS 8682
Crim. Just. Spec. II (3)
CLASS 8104
Victim Witness Tech. (4)
CLASS 8192
Asst. D.A. Inv. (2)
Crim. 1428
Sr. Clerk Typist (1)

BUREAU OF INVESTIGATION
CLASS B14 - CND PW. (1)
CLASS B14 - ALL CND
INVESTIGATOR 15

[illegible]

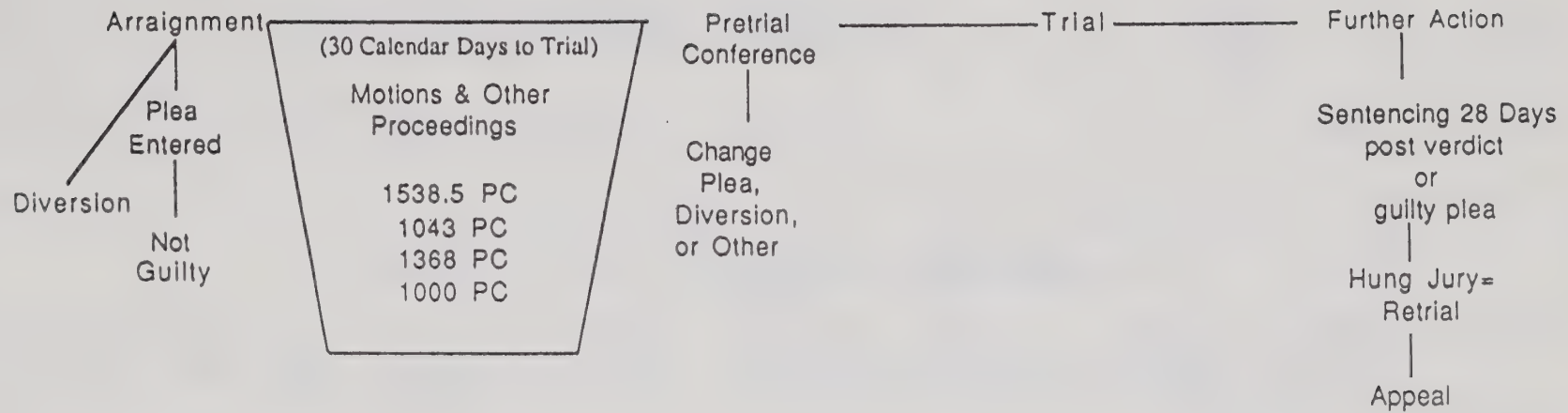
Class 8145 - Inv. (1)
Class 8178 - Inv. (10)
Class 8178 - Inv. (1)
Class 8182 - Head
MUNI COURT - FELCHER, M.

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graph TD
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Class 8171 - Law Office Manager (1)] --> B[COOR. ADMINISTRATIVE SERVICES  
Class 8130 - Admin. Asst. (1)]
    B --> C[ADMINISTRATIVE SERVICES  
Class 1222 - Sr. Personnel/Personal Clerk (1)  
Class 1404 - Clerk (1)  
Class 1426 - Sr. Clerk Typist (1)  
Class 1456 - Legal Secretary I (1)  
Class 1460 - Legal Secretary II (1)  
Class 8106 - Sr. Legal Process Clerk (1)  
Class 9623 - Librarian (1)  
Class 8133 - Investigative Asst. (2)]
    C --> D[SUBPOENA SERVICE  
Class 8482 - Court Afil. Book. II (1)  
Class 8132 - Investigative Asst. (2)  
Class 1428 - Sr. Clerk Typist (2)]
    D --> E[EXECUTIVE  
Class 1520 - Commandant/Asst. Sec'y. to D.A. (1)  
Class 1460 - Legal Sec'y. II (1)  
Class 1458 - Legal Sec'y. I (1)]
    E --> F[COOR. SECRETARIAL SERVICES  
Class 1481 - Legal Secretary III (1)]
    F --> G[SECRETARIAL - MUNICIPAL & SUPERIOR COURTS  
Class 1460 - Legal Secretary II (2)  
Class 1458 - Legal Secretary I (1)  
Class 1444 - Secretary (1)]
    G --> H[SECRETARIAL - SPECIAL OPERATIONS  
Class 1460 - Legal Secretary II (1)  
Class 1458 - Legal Secretary I (3)  
Class 1708 - Sr. Telephone Operator (1)]
  
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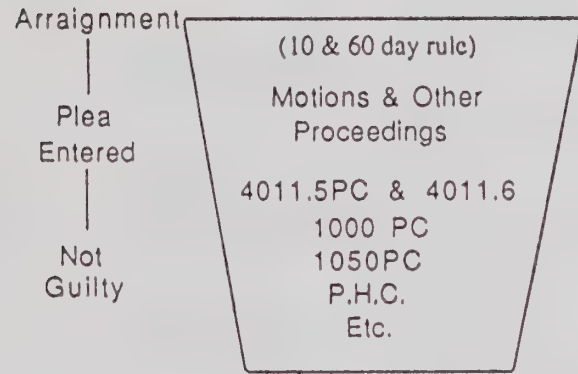
MISDEMEANOR PROCEDURE

MUNICIPAL COURT PROCEEDINGS

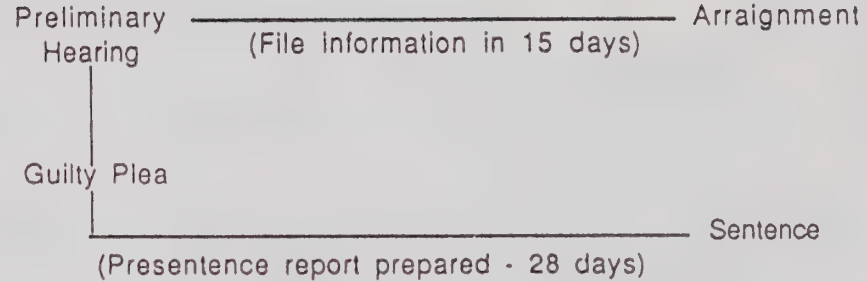


FELONY PROCEDURE

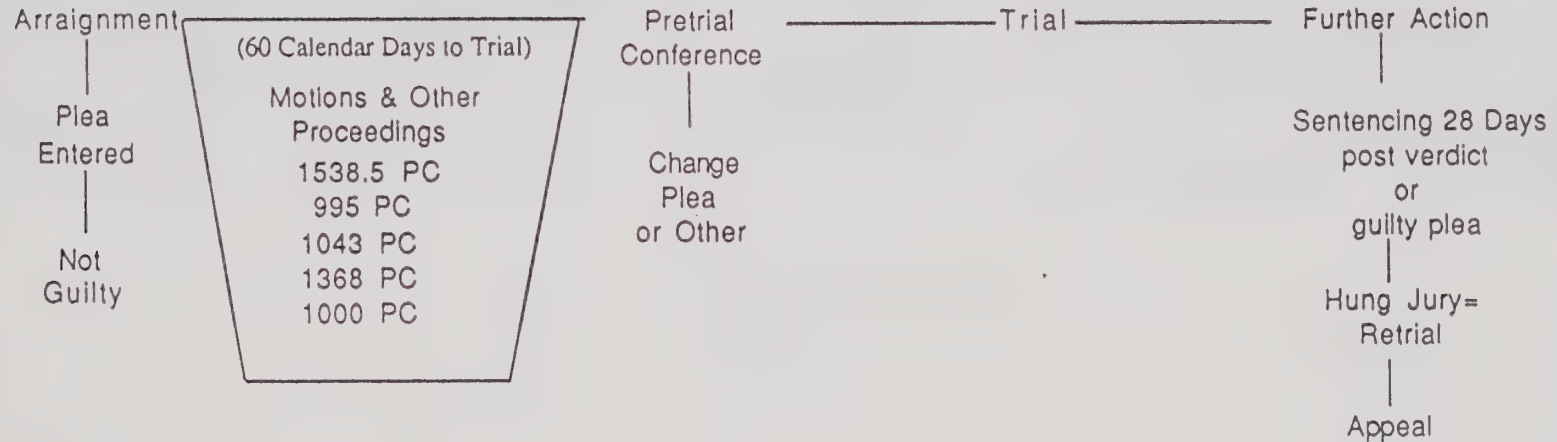
MUNICIPAL COURT



SUPERIOR COURT



SUPERIOR COURT PROCEEDINGS



Department Summary

Department: DISTRICT ATTORNEY

Mission Statement:

The mission of the District Attorney's Office is to investigate and prosecute all felony and misdemeanor offenses committed by adults and juveniles in the County of San Francisco. The District Attorney is also responsible for handling all aspects of child support cases, environmental violations, consumer protection matters, and providing services to victims of crime.

1993-94 Budgets by Program

Mayor's Budget Programs	1993-94			
	FTE	Costs	Revenues	Net General Fund
1 Criminal & Civil Prosecuti	229	\$17,857,293	\$2,819,251 ¹	15,038,042
2 Family Support Program	121	10,162,724	10,190,350	(27,626)
<i>Subtotal</i>	350	\$28,020,017	\$13,009,601	\$15,010,416
Capital Improvements				
TOTAL	350	\$28,020,017	\$13,009,601	\$15,010,416

1994-95

		1994-95 Expenditures			1994-95 Revenues		
		Department	Mayor	Budg. Analyst	Department	Mayor	Budg. Analyst
		²			³		
1 Criminal & Civil Prosecuti	229	\$18,985,027	\$18,577,922	\$18,884,457	\$3,634,124	\$3,634,124	\$3,634,124
2 Family Support Program	121	11,023,251	11,023,251	11,023,251	10,962,541	10,962,541	10,962,541
TOTAL	350	\$30,008,278	\$29,601,173	\$29,907,708	\$14,596,665	\$14,596,665	\$14,596,665

5/9/94

1

Workorder: \$1,004,082
Grant: \$1,681,169
Other: \$134,000

2

General Fund Amount:
\$15,350,903

3

Workorder: \$1,718,955
Grant: \$1,681,169
Other: \$234,000

FY 1994-95 RECOMMENDATIONS

Department: DISTRICT ATTORNEY

Program: CRIMINAL AND CIVIL PROSECUTION

Recommended 1994-95 Funding Levels:

<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
\$18,985,027	\$18,577,922	\$18,884,457

Explanation of Differences:

<u>No.</u>	<u>Classification</u>	<u>Title</u>	<u>Salaries</u>	<u>Savings</u>		<u>Total</u>
				<u>MFB</u>	<u>Other</u>	
1	1708	Senior Telephone Operator	\$31,246	\$6,847	\$0	\$38,093
To eliminate one of two Senior Telephone Operator positions not essential to the Department's functioning.						
1	8146	District Attorney's Investigator	\$52,799	\$9,678	\$0	<u>\$62,477</u>
To eliminate a District Attorney's Investigator position that is serving a media function.						
TOTAL						\$100,570
5/9/94						

Policy Options

Department: . DISTRICT ATTORNEY

Program: CRIMINAL AND CIVIL PROSECUTIONS

Policy Options for 1994-95

Citation Hearing Unit

The Welfare Fraud Unit (WFU) in the District Attorney's Office is responsible for the identification of fraudulently received public funds by recipients of aid programs administered by the City's Department of Social Services (DSS). The major aid programs, shown with the funding source for each, are as follows:

<u>Program</u>	<u>Funding Source</u>		
	<u>General Fund</u>	<u>State</u>	<u>Federal</u>
Aid to Families with Dependent Children (AFDC)	5%	45%	50%
Non-Assistance Food Stamps	0	0	100%
General Assistance (GA)	100%	0	0

Currently, on an annual basis, the following amounts are identified by the WFU as fraudulent overpayments. Approximately fifty-five percent of the identified amounts are collected .

<u>Program</u>	<u>Identified</u>	<u>Collected</u>
AFDC	\$2,000,000	\$1,100,000
Food Stamps	\$500,000	\$275,000
GA	<u>\$500,000</u>	<u>\$275,000</u>
Total	\$3,000,000	\$1,650,000

The District Attorney's Welfare Fraud Unit currently consists of the following 14 authorized positions:

<u>Number</u>	<u>Classification</u>	<u>Title</u>	<u>Number</u>	<u>Classification</u>	<u>Title</u>
2	8178	Senior Attorney	8	8146	DA Investigator
1	8150	Principal DA Investigator	1	1426	Senior Clerk Typist
1	8147	Senior DA Investigator	1	1458	Legal Secretary I

Policy Options

The Welfare Fraud Unit refers all cases of identified overpayment to the Eligibility and Collection staff of the DSS and concurrently conducts a criminal prosecution review for those cases involving sums in excess of \$3,000.

Currently, the WFU refers most cases (those not involving multiple aid, false identification, or previous overpayment claims) of fraudulent overpayment of between \$1,000 and \$3,000 to the DSS Eligibility and Collection staff without a concurrent criminal prosecution review, due to insufficient staffing to conduct such reviews. Such fraudulent overpayment claims of between \$1,000 and \$3,000 constitute approximately 75 percent of the total number of fraud claims processed and approximately 60 percent of the dollar value of all fraud claims processed. This policy option is to establish an investigative team within the WFU to process AFDC, Food Stamp, and GA overpayment claims of \$1,000 to \$3,000 through a Citation Hearing process. Citation Hearings are non-judicial hearings used in minor criminal cases, wherein the hearing is held before a Assistant District Attorney.

Under this proposal, all cases of fraudulent overpayment claims between \$1,000 and \$3,000 would receive an in-depth review and when appropriate would be referred to a prosecution attorney for a Citation Hearing. Use of the Citation Hearing process would minimize the case preparation time and would serve to reinforce the current administrative and civil collection effort by affording the claimant the opportunity to voluntarily agree to pay back the money owed without further Court action.

For the six month period of July 1, 1993, through December 31, 1993, fraudulent overpayment claims, which were referred to the DSS without a concurrent criminal prosecution review, totaled \$919,671. The estimate annualized amount of these claims is approximately \$1.8 million. Based on DSS's current collection rate of approximately 55 percent of the amounts owed, approximately \$990,000 of the \$1.8 million would be collected. The District Attorney estimates that the Citation Hearing process will, at a minimum, increase collections by 20 percent, which, based on the \$1.8 million in claims, would generate an additional \$360,000 annually.

The personnel resources that would be required to implement a Citation Hearing Unit are as follows:

<u>Number</u>	<u>Classification</u>	<u>Title</u>	<u>Salary at Top Step</u>	<u>Mandatory Fringe Benefits</u>	<u>Total</u>
1	8147	Senior DA Investigator	\$57,394	\$17,030	\$74,424
1	8146	DA Investigator	<u>\$52,800</u>	<u>\$16,028</u>	<u>\$68,828</u>
Total			\$110,194	\$33,058	\$143,252

Costs for Deputy District Attorneys associated with the proposed Citation Hearing Unit would be absorbed in the District Attorney's proposed budget.

Policy Options

Department: . DISTRICT ATTORNEY

Program: CRIMINAL AND CIVIL PROSECUTIONS

Policy Options for 1994-95

General Assistance Fraud Investigation Unit

The Welfare Fraud Unit (WFU) in the District Attorney's Office is responsible for the identification of fraudulently received public funds by recipients of aid programs administered by the City's Department of Social Services (DSS). The major aid programs, shown with the funding source for each, are as follows:

<u>Program</u>	Funding Source		
	General Fund	State	Federal
Aid to Families with Dependent Children (AFDC)	5%	45%	50%
Non-Assistance Food Stamps	0	0	100%
General Assistance (GA)	100%	0	0

Currently, on an annual basis, the following amounts are identified by the WFU as fraudulent overpayments. Approximately fifty-five percent of the identified amounts are collected .

<u>Program</u>	<u>Identified</u>	<u>Collected</u>
AFDC	\$2,000,000	\$1,100,000
Food Stamps	\$500,000	\$275,000
GA	<u>\$500,000</u>	<u>\$275,000</u>
Total	\$3,000,000	\$1,650,000

The District Attorney's Welfare Fraud Unit currently consists of the following 14 authorized positions:

<u>Number</u>	<u>Classification</u>	<u>Title</u>	<u>Number</u>	<u>Classification</u>	<u>Title</u>
2	8178	Senior Attorney	8	8146	DA Investigator
1	8150	Principal DA Investigator	1	1426	Senior Clerk Typist
1	8147	Senior DA Investigator	1	1458	Legal Secretary I

Policy Options

Currently, within the Welfare Fraud Unit, there are no investigators specifically designated to process General Assistance fraud cases. The GA cases that are currently referred to the WFU are primarily automated referrals generated through the Integrated Earnings Verification System (IEVS), which provides an automated match of GA recipients with persons listed in the State Department of Employment files. Because the WFU lacks resources to process GA fraud cases, there are few referrals for other types of GA fraud investigation. The City's DSS eligibility staff are aware of the WFU's limitations for investigating GA fraud so they do not routinely refer cases for investigation. The WFU is able to process the GA IEVS cases by "piggybacking" these referrals onto the investigation and verification system used to process the AFDC and Food Stamp IEVS referrals.

This policy option is to establish a unit of investigative staff within the Welfare Fraud Unit for the purpose of investigating suspected cases of welfare fraud within the General Assistance Program. This unit would (1) investigate and seek arrest warrants, when appropriate, for individuals who embezzle money from the GA system and (2) provide information and feedback to eligibility staff along with recommendations to reduce, discontinue, or deny aid to fraudulent applicants or recipients of aid. No such investigative unit currently exists, which is the reason for the low rate of GA referrals from the DSS eligibility staff.

The District Attorney estimates that the rate of fraud in the GA Program is at least as high as the rate experienced in the AFDC Program. Using the AFDC fraud referral rate of 12 percent of the total active caseload as a benchmark, the District Attorney estimates that, at a minimum, approximately \$2,500,000 in GA payments are fraudulently claimed, annually, by other than unreported earnings cases that are currently identified through the IEVS system.

The District Attorney advises that in the current Welfare Fraud Unit, one Investigator position equates to approximately \$450,000 in identified overpayments and over \$247,500 in collections annually. Under this proposal, the District Attorney would hire six District Attorney Investigators to staff the proposed General Assistance Fraud Investigation Unit. Based on each one of these positions equating to approximately \$450,000 in identified overpayments, a total of approximately \$2,700,000 in such overpayments would be identified. Of the \$2,700,000, at least \$1,485,000, or approximately 55 percent, would be collected. The estimated cost of the General Assistance Fraud Investigation Unit is \$550,251, as follows:

<u>Personnel</u>						
<u>Number</u>	<u>Classification</u>	<u>Title</u>	<u>Salary at Top Step</u>	<u>Mandatory Fringe Benefits</u>	<u>Subtotal</u>	<u>Total</u>
1	8147	Senior DA Investigator	\$57,394	\$17,030	\$74,424	
5	8146	DA Investigator	\$264,000	\$80,140	\$344,140	
1	1426	Senior Clerk Typist	<u>\$33,069</u>	<u>\$9,168</u>	<u>\$42,237</u>	
Subtotal			\$321,394	\$97,170	\$460,801	\$460,801

Policy Options

Equipment

4	Vehicles	\$66,000	
	Miscellaneous Equipment (cameras, recording devices)	\$5,000	
7	Computer Terminals @ \$850 each	\$5,950	
1	Printer	<u>\$2,000</u>	
Subtotal		\$78,950	\$78,950

Operating Expenses

	Vehicle Maintenance	\$8,000	
	Training	<u>\$2,500</u>	
Subtotal		\$10,500	<u>\$10,500</u>

TOTAL			\$550,251
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The proposed General Assistance Fraud Investigation Unit would require an additional 8178 Senior Attorney position in FY 1995-96.

PROGRAM and BUDGET RECOMMENDATIONS

DEPARTMENT No.: 5
DEPARTMENT NAME: Public Defender

Description of Services
and Performance
Measures

The mission of the Public Defender is to represent indigents in the San Francisco Courts in Misdemeanor, Felony, Juvenile, and Mental Health cases.

Restructuring or Other
Significant Changes:

None.

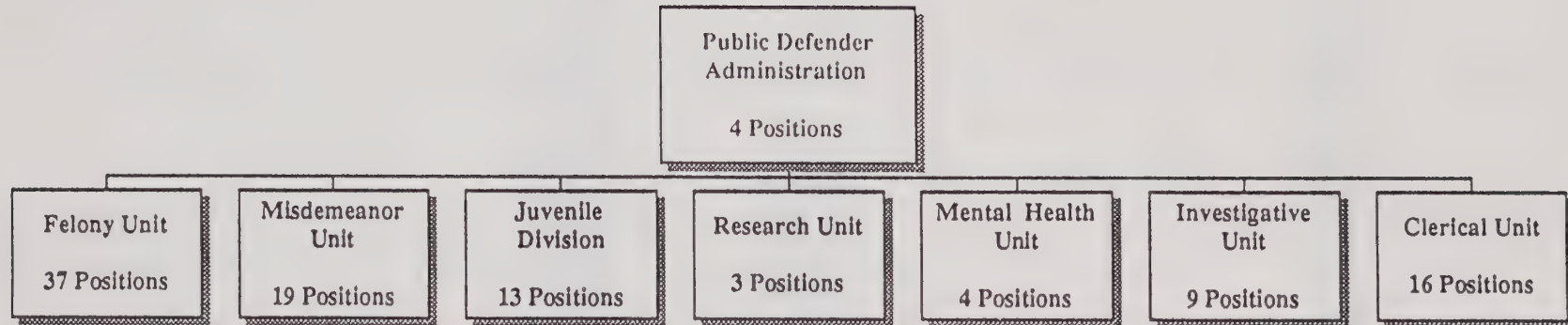
Significant Constraints on
Recommendations or
Policy Options (Consent
Decree, State or Federal
Law or Regulation, etc.)

Government Code Section 27706
Article 1, California Constitution
6th Amendment, U.S. Constitution
Charter Section 3.403

Major Policy Options

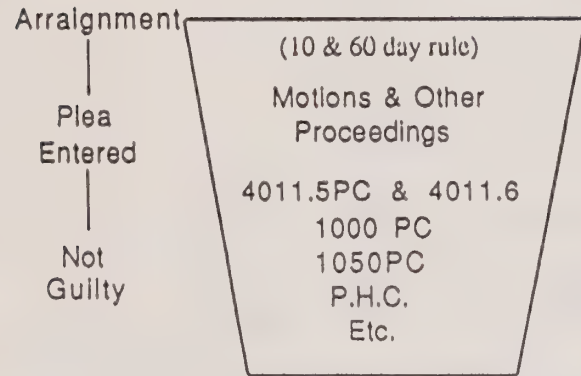
Establish a separate Public Defender function within the City or through a nonprofit organization to represent defendants who cannot be represented by the current Public Defender because of representation conflicts.

Public Defender

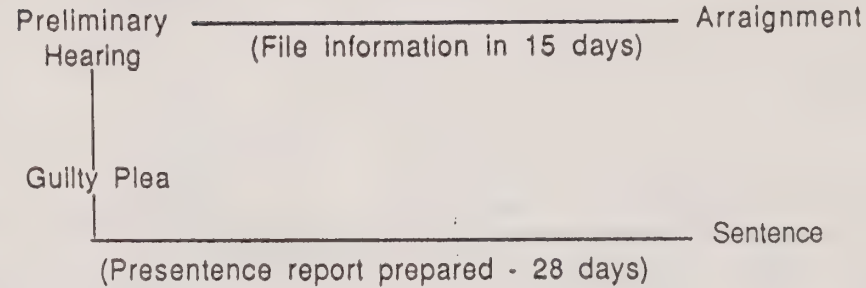


FELONY PROCEDURE

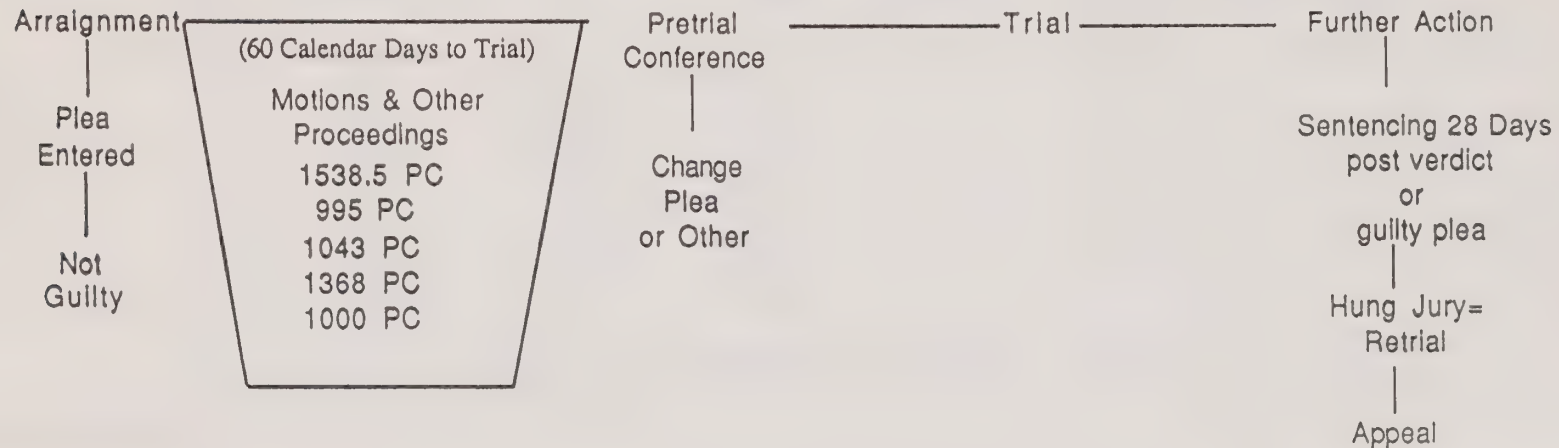
MUNICIPAL COURT



SUPERIOR COURT

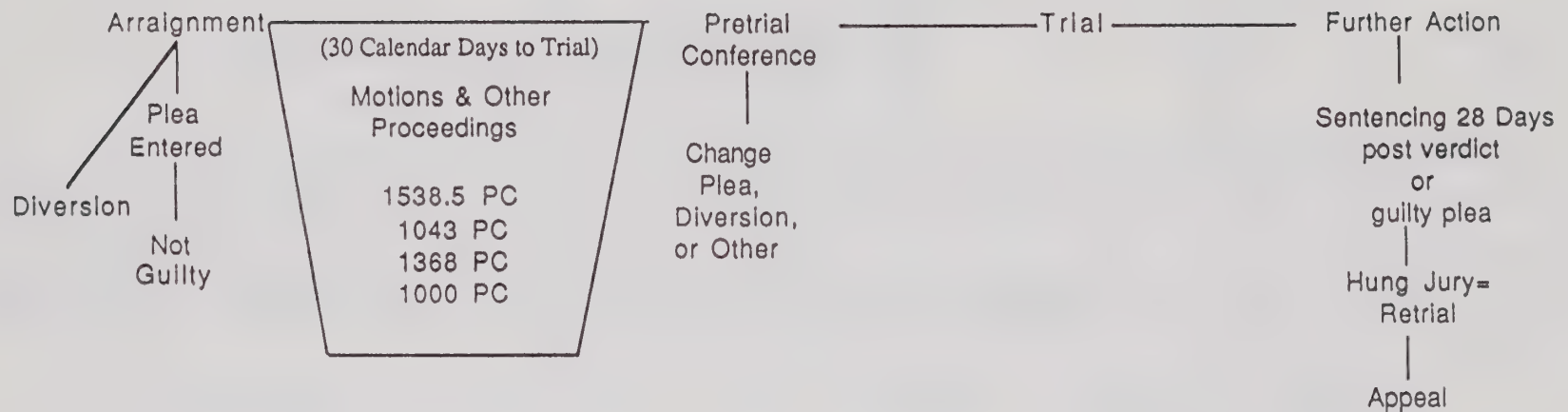


SUPERIOR COURT PROCEEDINGS



MISDEMEANOR PROCEDURE

MUNICIPAL COURT PROCEEDINGS



Mission Statement:

The mission of the Public Defender is to represent indigents in the San Francisco Courts in Misdemeanor, Felony, Juvenile and Mental Health cases.

1993-94 Budgets by Program

Mayor's Budget Programs	1993-94			
	FTE	Costs	Revenues	Net General Fund
1 Felony Unit	37 *	\$3,949,940	\$25,000	\$3,924,940
2 Misdemeanor Unit	19 *	1,571,167		\$1,571,167
3 Juvenile Division	13	942,793		\$942,793
4 Research Unit	3	310,357		\$310,357
5 Mental Health	4	405,869		\$405,869
6 Investigate Unit	9	700,822		\$700,822
7 Clerical Unit	16	794,833		\$794,833
8 Administrative	4	419,710		\$419,710
<i>Subtotal</i>	105	\$9,095,491	\$25,000	\$9,070,491
Capital Improvements				
TOTAL	105	\$9,095,491	\$25,000	\$9,070,491

1994-95

	1994-95 Expenditures				1994-95 Revenues		
	FTE	Department	Mayor	Budg. Analyst	Department	Mayor	Budg. Analyst
1 Felony Unit	37 *	\$4,027,625	\$3,698,756	\$4,027,625	\$25,000	\$25,000	\$25,000
2 Misdemeanor Unit	19	1,600,277	1,469,610	1,369,253			
3 Juvenile Division	13	964,135	885,410	964,135			
4 Research Unit	3	316,307	290,480	316,307			
5 Mental Health	4	413,533	379,767	413,533			
6 Investigate Unit	9	713,256	655,016	713,256			
7 Clerical Unit	16	808,597	742,572	808,597			
8 Administrative	4	423,889	389,277	423,889			
TOTAL	105	\$9,267,619	\$8,510,888	\$9,036,595	\$25,000	\$25,000	\$25,000

* One Salary Savings Position

FY 1994-95 RECOMMENDATIONS

Department: PUBLIC DEFENDER

Program: MISDEMEANOR UNIT

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$1,600,277	\$1,469,610	\$1,369,253

Explanation of Differences:

<u>No.</u>	<u>Classification</u>	<u>Title</u>	<u>Salaires</u>	<u>Savings</u>		<u>Total</u>
				<u>MFB</u>	<u>Other</u>	
2	8176	Trial Attorney	\$139,265	\$23,781	\$0	\$163,046
1	8174	Attorney	57,397	10,581	0	<u>67,978</u>
	Total					\$231,024

To delete positions in the Misdemeanor Unit excess to the minimum essential to required to accomplish the Misdemeanor Unit's objectives.

5/9/94

Policy Options

Department: Public Defender

Programs: Administration, Felony, Juvenile Delinquency, Dependency, Research

Policy Options for 1994-95

The Public Defender is required to "conflict out" of court cases wherein that Office's representation would involve a "conflict." Examples of such "conflict cases" are cases involving multiple defendants, cases involving witnesses previously represented by the Office, and cases involving defendants who have certain relationships with defendants currently or previously represented by the Public Defender.

When such conflicts arise, as identified by the Public Defender, the Courts appoint legal defense from lists of private attorneys, previously qualified for such court appointments by the San Francisco Bar Association. During fiscal year 1993-94, we estimate that a conflict attorney appointments will be made in approximately 8,418 court cases, involving cases in the Superior, Juvenile, and Municipal Courts, at a cost of approximately \$8,330,000. This "conflict caseload" represents approximately 29% of all indigent defense representations, yet the costs for these appointed representations account for approximately 47% of all indigent representations. In contrast, annual expenditures incurred by the Public Defender in representing approximately 20,736 indigent defendants are approximately \$9,310,000.

This policy option is to pursue an in-depth study and analysis of the advantages and disadvantages, costs and benefits, of establishing within the City an alternative public defender office, whether within the City and County government or through a nonprofit organization, to process the preponderance of cases that the Public Defender cannot represent because of a conflict.

The personnel costs of staffing an alternate public defender office, based on the organizational structure of the existing Public Defender Office, would be as follows:

<u>Function</u>	<u>Classification Title</u>	<u>No.</u>	<u>Annual Salary</u>	<u>Function</u>	<u>Classification Title</u>	<u>No.</u>	<u>Annual Salary</u>
Administration:				Research			
	8193 Chief Attorney	1	\$107,049				
	1650 Accountant	1	35,874		8178 Senior Atty.	1	73,575
	1512 Office Manager	1	47,228		8173 Legal Asst.	1	<u>43,065</u>
	8108 Sr. Legal Process Clerk	1	32,298				
	1708 Telephone Operator	1	<u>30,628</u>				
	Salaries		\$253,077		Salaries		\$116,640
	Fringe Benefits		<u>48,085</u>		Fringe Benefits		<u>22,162</u>
	Total		\$301,162		Total		\$138,802

Policy Options

<u>Function</u>	<u>Classification Title</u>	<u>No.</u>	<u>Annual Salary</u>
Felony			
Caseload	8182 Head Atty.	2	\$192,383
(3,000 Cases)	8180 Prin. Atty.	8	715,453
	8178 Senior Atty.	6	441,455
	8176 Trial Atty.	2	124,027
	8143 Sr. Investigator	1	52,304
	8142 Investigator	2	96,282
	1458 Legal Secy. I	1	40,063
	1444 Secretary I	2	<u>58,959</u>
	Salaries		\$1,720,926
	Fringe Benefits		<u>326,976</u>
	Total		\$2,047,902

<u>Function</u>	<u>Classification Title</u>	<u>No.</u>	<u>Annual Salary</u>
Juvenile			
Delinquency	8180 Prin. Atty.	1	\$89,431
(500 Cases)	8176 Trial Atty.	1	62,013
	8174 Attorney	1	52,304
	2940 Social Worker	1	48,846
	8142 Investigator	2	96,282
	1444 Secretary	1	<u>29,480</u>
	Salaries		\$378,356
	Fringe Benefits		<u>71,888</u>
	Total		\$450,244

<u>Function</u>	<u>Classification Title</u>	<u>No.</u>	<u>Annual Salary</u>
Dependency			
Caseload	8180 Prin. Atty.	1	\$89,431
(400 Cases)	8176 Trial Atty.	1	62,013
	8174 Attorney	1	52,304
	2940 Social Worker	1	48,846
	1444 Secretary	1	29,480
	Receptionist/ Clerk	1	<u>26,439</u>
	Salaries		\$308,513
	Fringe Benefits		<u>58,617</u>
	Total		\$367,130

<u>Total Costs</u>	
<u>Personnel</u>	
Salaries	\$2,777,512
Fringe Benefits	<u>527,727</u>
Subtotal	\$3,305,239
<u>Operating Costs</u>	\$650,000
<u>Third Party Conflicts</u>	\$900,000

The personnel costs enumerated above do not include such costs for misdemeanor, appellate, or mental health cases. The number of conflict cases in each of those categories is too small and would, as currently envisioned, be processed by the felony caseload attorneys.

Representation for every conflict case in each category enumerated has not been included in the design of this plan. There will be third person conflicts that neither the Public Defender nor the alternative Public Defender will be able to represent. The estimated caseload associated with such third person conflicts is 1,000, at an estimated cost of \$900,000. In addition, there would be a cost for the

Policy Options

associated with such third person conflicts is 1,000, at an estimated cost of \$900,000. In addition, there would be a cost for the continuation of existing conflict representations of continuing cases, especially for dependency cases.

We estimate the first year costs of computers, equipment, rent, expert witnesses, autos, and supplies to be approximately \$1 million. Subsequent annual costs we estimate to be approximately \$650,000.

The Budget Analyst notes that this policy option involves complex and controversial issues. There would be considerable detail to work out and policies to be decided before undertaking a concrete plan.

Department: TAX COLLECTOR

Overview

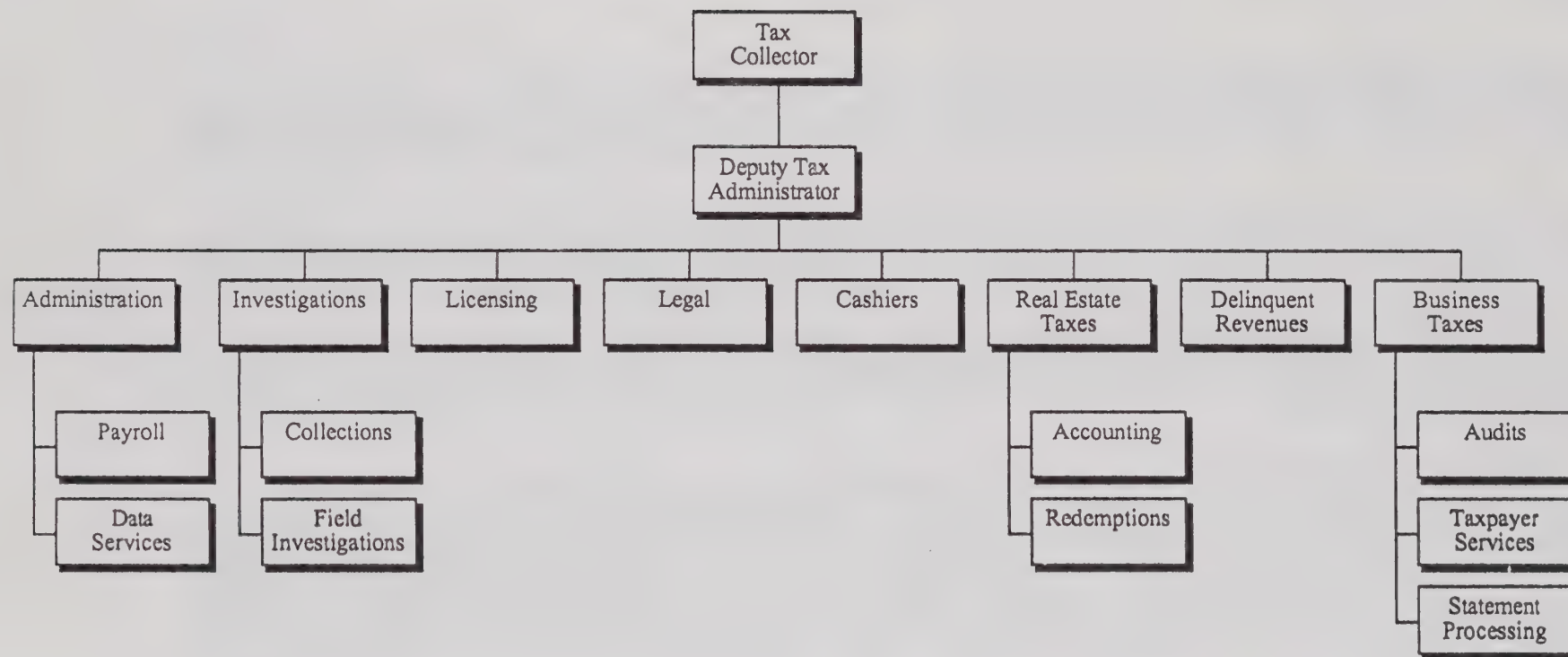
The chart on the next page shows the Tax Collector's organization. For purpose of this zero based analysis we have divided the Department's budget as follows: Business Tax, Delinquent Revenue and All Other Treasurer/Tax Collector Programs. The budgetary data presented in this report is based on the Phase C Department Request 1994-95 budget as of April 29, 1994.

The Tax Collector's Offices is responsible for billing and collection of real and personal property as well as the City's Business and Gross Receipts Tax, Hotel Tax, Parking Tax and other local taxes, licenses and permits. The Tax Collector is also responsible for auditing of businesses to insure that they are paying all required City taxes and fees.

The most significant change in the Tax Collector's Office is that the number of audits has been reduced due to time expended by audit staff on implementation of a new computer system for billings and collections of business taxes and due to budgetary reductions of clerical personnel in the fiscal year 1993-94 budget which has required audit personnel to do more clerical and administrative duties.

Unlike other departments to be reviewed in the zero based budget project, the Tax Collector's Office was limited to revenue producing opportunities. This review by the Mayor the Budget Analyst identified areas with increased revenue potential, reviewed these areas with the Department and the Controller's Office and are making recommendations to increase staffing in certain areas to generate increased revenues. Due to the time required to fill the positions, train the incumbents, conduct audits, resolve appeals and collect the increased revenues the Budget Analyst is not recommending that revenues be increased in fiscal year 1994-95 of more than the cost of certain positions, which the Budget Analyst is recommending. Due to the increased revenue potential in future years, however, the Budget Analyst is recommending some of the positions that the Department has requested.

Tax Collector's Office



Department Summary

Department: TAX COLLECTOR

Mission Statement:

- Receive and deposit all monies from taxes, licenses and other fees due to the City.
- Provide collection of delinquent accounts due to other City departments.

1993-94 Budgets by Program

Mayor's Budget Programs	1993-94			
	FTE	Costs	Revenues	Net General Fund
1 Business Tax	41	\$3,191,104	\$0	\$3,191,104
2 Delinquent Revenue	39	\$2,572,393	\$0	\$2,572,393
3 All Other Programs	64	\$4,276,547	\$0	\$4,276,547
<i>Subtotal</i>	144	\$10,040,044	\$0	\$10,040,044
Capital Improvements		\$24,000		
TOTAL	\$144	\$10,064,044	\$0	\$10,040,044

1994-95

	1994-95 Expenditures			1994-95 Revenues*		
	Department	Mayor	Budg. Analyst	Department	Mayor	Budg. Analyst
1 Business Tax	\$3,475,607	\$3,112,276	\$3,475,607	\$3,000,000		\$363,331
2 Delinquent Revenue	3,399,579	3,246,933	3,246,933	1,500,000		
3 All Other Programs	4,558,735	4,558,735	4,558,735			
TOTAL	\$11,433,921	\$10,917,944	\$11,281,275	\$4,500,000		\$363,331

* Only potential revenue increases are included in this table.

Department: Tax Collector

Recommended 1994-95 Funding Levels:

	Department	Mayor's Office	Budget Analyst
	\$11,433,921	\$10,917,944	\$11,281,275

Explanation of Differences:

The Department's request of \$11,433,921 would provide funding for 151 existing positions in the Treasurer/Tax Collector's Office and nine additional positions in the Business Tax Division and in Delinquent Revenue as follows:

	No. of Positions	Salary and Fringe Benefit Amount
Business Tax Division:		
1822 Administrative Analyst	1	\$63,372
1818 Senior Information Systems Specialist II	1	71,626
1656 Head Accountant	1	73,336
1654 Senior Accountant	1	68,178
1632 Senior Account Clerk	1	46,500
1630 Account Clerk	1	<u>40,319</u>
Total Business Tax		\$363,331
Delinquent Revenue:		
4306 Collections Officer	2	<u>152,646</u>
Totals	9	\$515,977

The Tax Collector has requested the six requested positions (1822 Administrative Analyst, 1818 Senior Information systems specialist II, 1656 Head Accountant, 1654 Senior Accountant, 1632 Senior Account Clerk and 1630 Account Clerk) to assume administrative and clerical duties which are presently being performed by audit staff. The Tax Collector estimates that additional audits that could then be performed by the audit staff would generate an estimated \$3,000,000 in increased revenue to the City. The Controller is still reviewing the possibility of increased revenues which may result from the proposed additional staffing during fiscal year 1994-95. The Budget Analyst does not believe that estimated revenues in excess of the cost of the positions should not be included in the budget for fiscal year

Department: Tax Collector

1994-95 due to the elapsed time required to fill the positions, train the incumbents, conduct audits and collect the increased revenues. Due to the increased revenue potential in future years, however, the Budget Analyst recommends including these six positions in the budget and increasing the estimated revenues only by the cost of the six positions in fiscal year 1994-95.

The Tax Collector has estimated that the three requested 4306 Collection Officer positions in Delinquent Revenue would generate an additional \$1,500,000 in increased revenue. The Budget Analyst is not recommending these three additional positions, which have a lower priority to the Department than the clerical and administrative staff in the Business Tax Division.

5/9/94 7:28

Department: Tax Collector
Program: Alternatives

Policy Options for 1994-95

1. Presently the Tax Collector is responsible for billing and collection taxes from businesses operating in the City pursuant to the City's Business and Payroll Tax Ordinance. The Tax Collector is also responsible for the billing and collection of registration fees from local businesses pursuant to the City's Business Tax Registration ordinance. While these revenues are collected from many of the same businesses and are collected by the same City Department, they are separately billed and collected at different times of the year. The Mayor and the Budget Analyst have reviewed the possibility of combining the billing and collection of these two separate revenues with the department with the objective of saving the cost of printing and mailing two separate bills, recording two separate receipts and collection of separate delinquent accounts. The Tax Collector has not yet fully reviewed this proposal to quantify all of the potential savings and cost increases and concludes that further study is needed to include not only the Cashier's operations but modifications that may be needed in the department's computer systems and the potential impact on other divisions within the Tax Collector's Office.

2. Presently the Tax Collector has the audit responsibility for all City taxes while the Assessor, pursuant to state law has the responsibility for audits of businesses to insure that they have properly reported their personnel property to the Assessor's Office which is the basis for the amount of Personal Property taxes to be billed and collected. The Deputy Tax Administrator does not expect that significant savings could be achieved by combining or jointly performing some of these audits as the laws governing each of the taxes is very different. The Budget Analyst Analyst believes that combining these audits could result in savings and in additional revenues and should be further explored.

Department: ASSESSOR

Overview

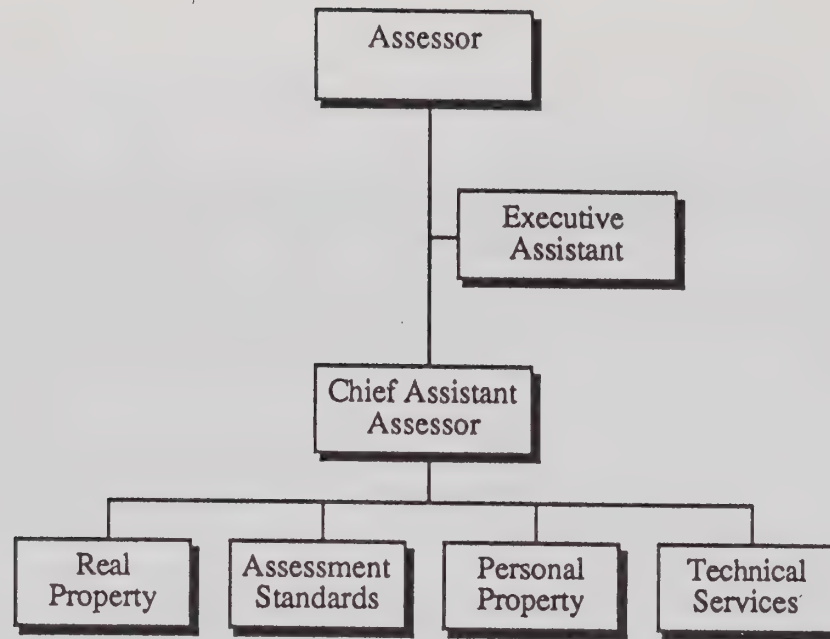
The chart on the next page shows the Assessor's organization. The Department is divided into five major programs as follows: Real Property, Personnel Property, Technical Services, Assessment Standards and Administration. The budgetary data presented in this report is based on the Phase C Department Request 1994-95 budget as of April 29, 1994.

The Assessor's Office is responsible for establishing the value of real and personal property within the City and County of San Francisco. These values are the basis for the City and County's property tax billings and collections. The department reviews over 169,000 parcels of real property and 55,000 personal property records annually.

The most significant change in the Assessor's Office is that the workload is significantly different than prior years. During fiscal year 1993-94 over 6,500 new assessment appeals were filed. The Assessor reports that, as a result of the large volume of assessment appeals and staff shortages, the regular workload (permits, sales, probates, possessory interest, etc.) has been backlogged. The effect has had an adverse impact on revenues to the City by delaying the enrollment of approximately 2,500 supplemental assessments, reflecting change of ownership and new construction.

Unlike other departments to be reviewed in the zero based budget project, the Assessor's Office was limited to revenue producing opportunities. This review by the Mayor and the Budget Analyst identified areas with increased revenue potential, reviewed these areas with the Department and the Controllers Office and are making recommendations to increase staffing in certain areas to generate increased revenues. Due to the time required to fill the positions, train the incumbents, perform the assessments, send out the tax bills and collect the increased revenues the Budget Analyst is not recommending that revenues be increased in fiscal year 1994-95 by more than the cost of certain positions which the Budget Analyst is recommending. Due to the increased revenue potential in future years, however, the Budget Analyst is recommending some of the positions that the Department has requested.

Assessor's Office



Department Summary

Department: ASSESSOR

5/7/94 15:44

Mission Statement:

- Responsible for establishing the value of real and personal property within San Francisco.
- Provides the necessary data to the Tax Collector's Office such that property taxes may be billed and collected.
- Responsible for auditing of businesses to verify the reported value of personal property.

1993-94 Budgets by Program

Mayor's Budget Programs	1993-94			
	FTE	Costs	Revenues	Net General Fund
1 Real Property	38	\$2,600,806	\$0	\$2,600,806
2 Personal Property	34	\$1,939,679	\$0	\$1,939,679
3 Technical Standards	16	\$693,112	\$0	\$693,112
4 Assessment Standards	3	\$182,006	\$0	\$182,006
5 Administration	6	\$644,834	\$0	\$644,834
<i>Subtotal</i>	<u>97</u>	<u>\$6,060,437</u>	<u>\$0</u>	<u>\$6,060,437</u>
Capital Improvements				
TOTAL	<u>97</u>	<u>\$6,060,437</u>	<u>\$0</u>	<u>\$6,060,437</u>

1994-95

	1994-95 Expenditures			1994-95 Revenues*		
	Department	Mayor	Budg. Analyst	Department	Mayor	Budg. Analyst
1 Real Property	\$2,738,702	\$2,332,021	\$2,738,702	\$3,000,000		\$406,681
2 Personal Property	2,034,684	1,691,857	1,691,857	\$300,000		0
3 Technical Standards	652,548	652,548	652,548			
4 Assessment Standards	191,751	191,751	191,751			
5 Administration	834,323	834,323	834,323			
TOTAL	<u>\$6,452,008</u>	<u>\$5,702,500</u>	<u>\$6,109,181</u>	<u>\$3,300,000</u>		<u>\$406,681</u>

*Only potential revenue increases are included in this table.

Department: Assessor

Recommended 1994-95 Funding Levels:

	<u>Department</u>	<u>Mayor's Office</u>	<u>Budget Analyst</u>
	\$6,452,008	\$5,702,500	\$6,109,271

Explanation of Differences:

The Department's request of \$6,452,008 would provide funding for 94 existing positions in the Assessor's Office and 16 additional positions as follows:

	<u>No. of Positions:</u>	<u>Salary and Fringe Benefit Amounts:</u>
Administration:		
1844 Senior Management Assistant	1	\$63,429
1818 Senior Information Systems Specialist II	1	<u>60,988</u>
Total Administration		\$124,417
Real Property:		
4261 Real Property Appraiser	5	\$276,675
1499 Supervising Clerk III	1	51,257
4202 Assessment Clerk	2	<u>78,749</u>
		406,681
Personnel Property:		
4220 Personnel Property Auditor	4	
4222 Senior Personnel Property Auditor	2	<u>342,737</u>
Totals	16	\$873,835

The Department has requested and the Mayor's Office has approved the addition of the two new positions shown above in Administration. The 1844 Senior Management Assistant, which was funded by the Port, has been instrumental in identifying areas where increased assessments could be achieved. The Senior Information Specialist III position is requested to continue implementation of computer systems. The Mayor's Office and the Budget Analyst recommend approval of these two positions.

Department: Assessor

The Assessor has estimated that the five requested 4261 Real Property Appraisers, the 1499 Supervising Clerk III and the 4202 Assessment Clerk will generate an estimated \$3,000,000 in increased revenues due to improvements in identification of new possessory interest assessments and audits of building permits. The Controller is still reviewing the possibility that the increased staffing would result in increased revenues during fiscal year 1994-95. The Budget Analyst does not believe that additional revenues should be included in the budget in excess of the cost of the positions in fiscal year 1994-95 due to the elapsed time required to fill the positions, train the incumbents, perform the assessments, send out tax bills and collect the increased revenues. Due to the increased revenue potential in future years, however, the Budget Analyst recommends including these positions in the budget and increasing the estimated revenues only by the cost of the eight positions.

The Assessor has estimated that the four requested 4220 Personnel Property Appraisers and the two new 4222 Senior Personnel Property Appraisers would generate only an additional \$300,000 in increased revenue which is less than the the \$342,737 cost of the positions. Since the Department chose to delete these positions to stay within the Mayor's funding allocation and increased revenues and estimated at less than their cost, the Budget Analyst does not recommend the reinstatement of these positions to the Assessor's budget.

PROGRAM and BUDGET RECOMMENDATIONS

DEPARTMENT No.: 78
DEPARTMENT NAME: County Clerk-Recorder

Description of Services and Performance Measures

The mission of the County Clerk-Recorder is to protect the personal and property rights of the public by recording documents and providing constructive notice of such recordings as required by laws and regulations.

Restructuring or Other Significant Changes:

None.

Significant Constraints on Recommendations or Policy Options (Consent Decree, State or Federal Law or Regulation, etc.)

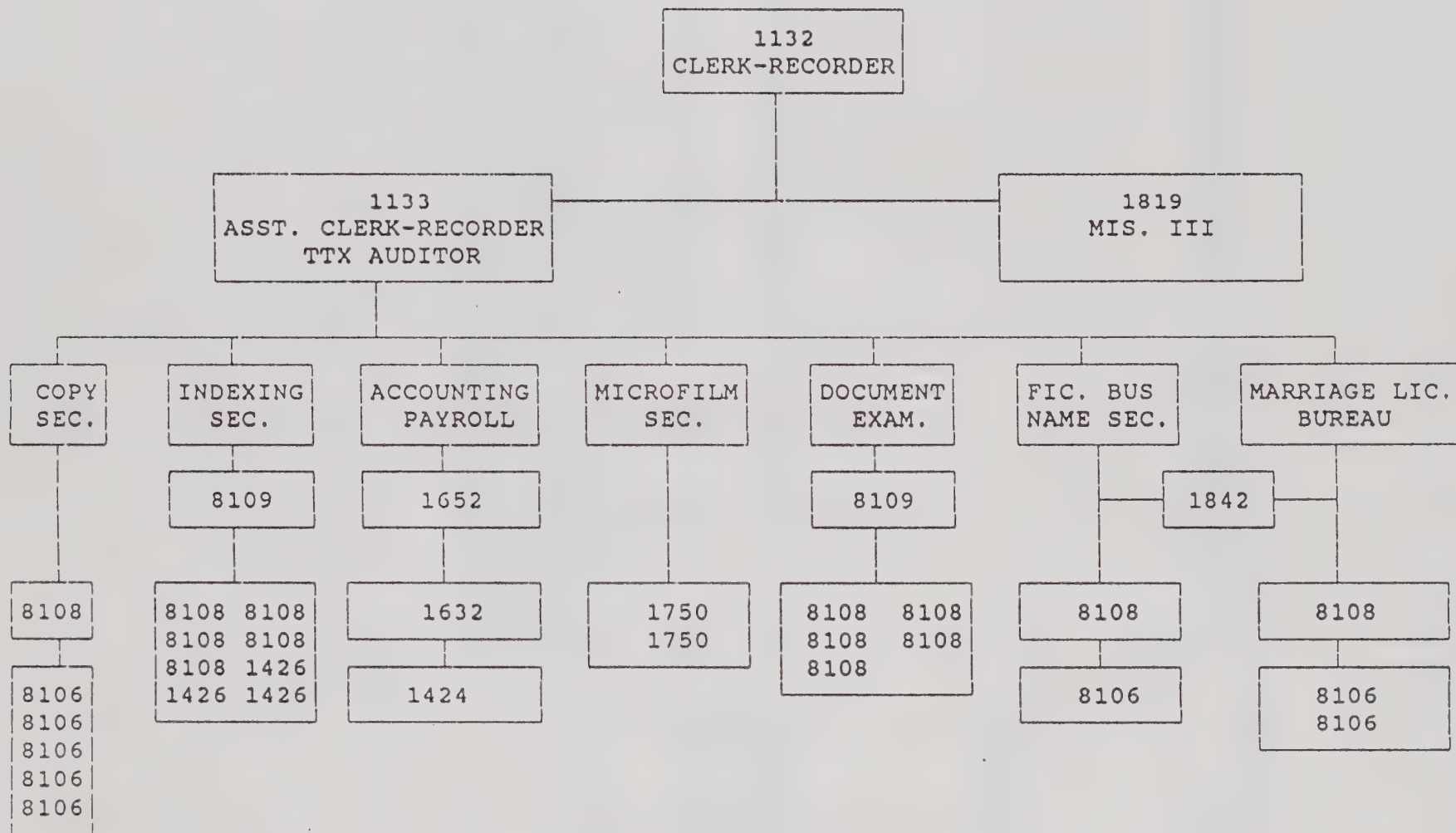
California Government Code Section 27361 requires that document be indexed within two days.

San Francisco Municipal Code Article 12C requires post audits on payment of transfer tax fees.

Major Policy Options

Convert an existing 8108 Senior Process Clerk position from the County Clerk Program (salary of \$35,365) to an 1823 Auditor (salary of \$47,893) to assist the Assistant County Clerk-Recorder in auditing various transfer tax documents. The County Clerk-Recorder estimates that by enhancing the transfer tax audit program, revenues to the City from delinquent transfer taxes would probably increase by approximately \$200,000, annually.

CLERK-RECORDER'S OFFICE ORGANIZATION CHART



Mission Statement:

To protect the personal and property rights of the public by recording documents and providing constructive notice of such recordings as required by laws and regulations.

1993-94 Budgets by Program

Mayor's Budget Programs	1993-94			
	FTE	Costs	Revenues	Net General Fund
1 Recorder				
General Fund	14	\$666,567	\$1,113,500	\$446,933
Micrographic Fund	3	162,602	190,000	27,398
Modernization Fund	5	370,665	460,000	89,335
Indexing Fund	2	40,304	150,000	109,696
2 County Clerk	7	279,755	684,000	404,245
3 Administration				0
General Fund	3	156,953	0	(156,953)
Modernization Fund	1	74,658	0	(74,658)
Vital Statistics Fund	0	14,000	13,200	(800)
<i>Subtotal</i>	35	\$1,765,504	\$2,610,700	\$845,196
Capital Improvements				
TOTAL	35	\$1,765,504	\$2,610,700	\$845,196

1994-95

		1994-95 Expenditures			1994-95 Revenues		
		Department	Mayor	Budg. Analyst	Department	Mayor	Budg. Analyst
1 Recorder							
General Fund	14	\$583,643	\$564,945	\$583,643	\$1,303,500	\$1,303,500	\$1,503,500
Micrographic Fund	3	170,402	170,402	170,402	190,000	190,000	190,000
Modernization Fund	5	432,548	432,548	432,548	460,000	460,000	460,000
Indexing Fund	2	285,617	285,617	285,617	460,000	460,000	460,000
2 County Clerk	7	301,936	301,936	301,936	636,750	636,750	636,750
3 Administration							
General Fund	3	170,897	170,897	170,897	0	0	0
Modernization Fund	1	79,424	79,424	79,424	0	0	0
Vital Statistics Fund	0	14,000	14,000	14,000	14,000	14,000	14,000
<i>Subtotal</i>	35	\$2,038,467	\$2,019,769	\$2,038,467	\$3,064,250	\$3,064,250	\$3,264,250
Capital Improvements							
TOTAL	1	\$2,038,467	\$2,019,769	\$2,038,467	\$3,064,250	\$3,064,250	\$3,264,250

Policy Options

Department: . COUNTY CLERK-RECORDER

Program: RECORDER

Policy Options for 1994-95

The County Clerk-Recorder conducts a post-audit of a percentage of transfer tax affidavits, as required by Section 1115(b) of Article 12c of Part III of the San Francisco Municipal Code (Real Property Transfer Tax Ordinance). The applicable Code section is as follows:

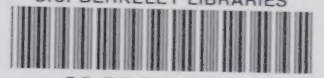
"Section 1115 (b), Post-Recording Audits. The County Recorder shall adopt and implement a post-recording audit procedure which shall provide for a review of at least five percent (5%) of those documents recorded each month transferring an interest in real property, the said documents to be selected at random, and, in addition, for a review of any other documents which the County Recorder has reason to believe may have been recorded without full payment of the tax and for a review of those documents where the tax is likely to be unpaid or underpaid. The rules, procedures and criteria for conducting such audits shall be prepared by the County Recorder within ninety (90) days of the effective date of this ordinance and promptly thereafter submitted to the Transfer Tax Review Board for review and approval.

The County Clerk-Recorder accepts approximately 27,000 transfer instruments per year for recording. The Assistant County Clerk-Recorder, who actually performs the audit work, reports that he reviews forty to forty-five percent of the recorded documents each month and that 10 percent of those documents reviewed are audited.

In Fiscal Year 1991-92 the post-audit effort produced \$32,665 in additional transfer tax revenues. In Fiscal Year 1992-93, \$21,758 in such revenues was produced. As report, the number in FY 1992-93 was down because of the auditor's involvement in the consolidation of the County Clerk-Recorder offices. Thus far in Fiscal Year 1993-94, a total of \$64,166 has been collected.

According to the County Clerk-Recorder, a full-time auditor to assist with the various transfer tax issues would probably increase revenues to the City from delinquent transfer taxes by approximately \$200,000, annually. The County Clerk-Recorder further reports that a full-time auditor would greatly stimulate the enforcement program and that two important results would occur. First, the actual collection of delinquent tax would increase, as previously discussed. Secondly, there would be greater voluntary compliance because of the more active enforcement program. The proposed auditor position would review one hundred percent of the recorded transfer instruments and audit approximately 25 percent of those transactions.

The recommendation concerning this revenue-enhancing opportunity is to convert an existing 8108 Senior Process Clerk from the County Clerk program (salary of \$35,365) to a 1823 Auditor (salary \$47,893) who would be assigned to the Administration Program of the County Clerk-Recorder's Office.



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